FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

WASH 9 CGO 1 FROM LOS ANGELES 25 3-55 PM

AUG 25 1948

TELEMETER

24459

3/3/95 SRS a/cw
361586

CONF 2 STATIONS WASH 9 , CGO 1 FROM LOS ANGELES 25 3-55 .

DIRECTOR AND CGAT

URGENT

CLOUIS CAMPAGNA, WAS., ETAL, BRIBERY-PAROLE MATTERS. REBUTEL AUGST FOUR LAST. WRIT OF HABEAS CORPUS HEARING IN LOS ANGELES FEDERAL COURT TODAY FOR JOHN ROSELLI RESULTED IN U.S. FEDERAL JUDGE DAVID LING SETTING SEPTEMBER SEVEN NEXT AS DATE FOR GIVING HIS RULING IN THIS CASE. JUDGE LING SET THIS DATE AFTER OTTO CHRISTENSEN, DEFENSE COUNSEL FOR XXXXX ROSELLI, AND J. KLINGER, AUSA AT L.A., CONCLUDED THEIR ARGUMENTS IN THIS CASE. OBSERVED PRESENT IN THE FEDERAL COURTROOM WERE CHARLEY FOY, NIGHTCLUB OWNER, BRYAN FOY, EAGLE LION STUDIO EXECUTIVE, IRVING FOY, A BROTHER, GENE LING, EAGLE LION SCREENWRITER, MARTY WYNN, L.A. PD DETECTIVE, AND C.H. MEADOR, CHIEF OF THE FEDERAL PROBATION DEPARTMENT AT L.A., AND CONFIDENTIAL INFORMANTS ADVISED THESE INDIVIDUALS WERE SUBPOENAED BY ROSELLI-S DEFENSE COUNSEL AS POSSIBLE CHARACTER WITNESSES FOR ROSELLI IN THE EVENT OF A RULING BY THE FEDERAL COURT FAVORING THE DEFENSE. AUSA NORMAN W. NEUKOM WAS CONTACTED THIS DATE AND HE COULD FURNISH NO FURTHER INFORMATION OTHER THAN THAT STATED ABOVE.

HOOD

ACK PLS

INDEXED - 110 - 20000-1858
RECORDED - 110
EX-60

cc. Mr. Tamm

TELETYPE

24460

WASH 4 FROM CHICAGO 20 12-36PM PL

DIRECTOR

ATTENTION: ASSISTANT DIRECTOR A. ROSEN

LOUIS CAMPAGNA, WAS, ET AL, BRIBERY, PAROLE MATTERS. CHICAGO TRIBUNE OF AUGUST NINETEEN LAST CARRIED ARTICLE BY JAMES DOHERTY STWING THAT WILLIAM SCOTT STEWART, ACTING AS ATTORNEY FOR PAUL DE LUCIA, LOUIS CAMPAGNA, AND CHARLES GIOE, HAD FILED A SUIT AGAINST THE FEDERAL PAROLE BOARD FOR DAMAGES ARISING OUT OF THE REARREST OF CAMPAGNA AND GIOE; HAD FILED A BRIEF IN AN QUOTE EXTRAORDINARY REMEDY UNQUOTE ON BEHALF OF DE LUCIA; AND HAD FILED A PETITION ASKING THAT THE ORIGINAL CONVICTION IN NINETEEN FORTY THREE OF THE PAROLEES BE DECLARED VOID AND THAT WARRANTS ISSUED BY PAROLE BOARD FOR THE REARREST OF DE LUCIA, CAMPAGNA, AND GIOE BE DECLARED VOID. THIS LAST PETITION ALSO ASKED THAT CAMPAGNA AND GIOE BE RETURNED TO CHICAGO FOR A PUBLIC HEARING OF ANY COMPLAINTS AGAINST THEM. THE ARTICLE ARTICLE ELABORATED ON PETITION TO VOID THE ORIGINAL CONVICTIONS AND STATED STEWART HAD SAID THAT THE PAROLEES WERE INNOCENT OF THE EXTORTION CHARGE BECAUSE OF FACT THAT THE ONE MILLION DOLLARS INVOLVED WAS PAID IN BRIBES. ACCORING TO THE ARTICLE, STEWART ALSO ACCUSED THE FBI, DEPUTY UNITED STATES MARSHALS, AND OTHER GOVERNMENT OFFICIALS OF CONSPIRACY. IN AN ARTICLE DATED TODAY THE CHICAGO TRIBUNE STATES THAT FEDERAL JUDGE ELWYN R. SHAW IN HEARING ON AUGUST NINETEEN LAST DISMISSED THE ABOVE SUIT AND PETITIONS, STATING THAT PAROLES ARE ACTS OF MERCY BY GOVERNMENT AND THAT THE SUIT AND PETITIONS ATTACKED THIS MERCY OF THE GOVERNMENT.

INDEXED - 126

RECORDED - 126

1859

1 SEP 3 1948

MC SWAIN

END ACK PLS

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : DIRECTOR, FBI

DATE: AUGUST 13, 1948

FROM : SAC, CHICAGO

ATTENTION: ASST. DIR. A. ROSEN

SUBJECT: LOUIS CAMPAGNA, WAS; ET AL
BRIBERY--PAROLE MATTER

Attached are clippings from the Chicago Daily Tribune and Chicago Daily News of August 12, 1948.

Encl.

MNW
58-194

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/3/95 BY SP5CAW

Mr. Tolson
Mr. Clegg
Mr. Ladd
Mr. Nichols
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

DEFERRED RECORDING

RECORDED - 69
INDEXED - 69

158-2600-18
F F I

19 AUG 27 1948

G I.R.-8

EX-60

2 ENCL

EX-60

69

60 SEP 10 1948

PAROLE BOARD TO DISREGARD CONGRESS DATA

Closes Eyes to Past in Gang Probe

BY JAMES DOHERTY

Parole authorities admitted yesterday they were disregarding recommendation of congress and ignoring a mass of evidence showing how Louis Campagna and Charles Gioe were released from the Leavenworth, Kas., prison a year ago along with Paul Ricca and Phil D'Andrea. The federal board plans a "hearing" next week on charges of parole violation by Campagna and Gioe.

The board denied that it would make use of any of the data uncovered by congressional committee headed by Rep. Hoffman (R., Mich.) and of which Rep. Busbey (R., Ill.) is a member. Other than that, the board refused to disclose the nature of its complaint against Campagna and Gioe. This secrecy was denounced by Busbey.

Board Attitude Made Public

Fred S. Rogers, one of the members, said the attitude of the board—which is assumed to be the attitude of the Truman administration and the department of justice headed by Atty. Gen. Clark—was set forth in a letter to William Scott Stewart, attorney for the four parolees who are highup members of the Capone crime syndicate.

Stewart asked the parole board for permission to attend the hearing to determine if Campagna and Gioe must serve the balance of their 10 year sentence as extortioners. The two were taken back to the Atlanta federal prison last month on warrants which said they violated paroles given them when they had served one third of the 10 year sentences.

Events Prior To Parole Ignored

You will not be permitted to be present, the board in effect notified Stewart, who had planned to be at Atlanta for a parole board session slated there about Aug. 20.

The board's letter to Stewart calls attention to his request for "specifications if there is to be any attempt to revoke the parole on the ground that same was improperly granted." The answer was:

"Upon that point you have our assurance that any action we may take looking to revocation of parole will be based upon events occurring subsequent to release on parole."

CHICAGO DAILY TRIBUNE

Aug 14, 1948

3/3/95 SPSA/cw

ENCLOSURE

Parole Prober Busbey Caches Gang Secrets

Congressman Busbey, (Rep., Ill.) has his own system for filing gang secrets gleaned in the investigation of the Capone mob paroles.

Every bit of information is typed in triplicate and then hidden away in three separate caches. In the event of any reprisal the papers could be made public.

Chats with individuals who claim to be mob emissaries willing to 'do him some good' have become so numerous as to become boring, Busbey admitted.

"Unlimited Funds"

'These gents claim to have unlimited funds and political influence' Busbey said.

'My stock answer is: 'give me the names of the higher-ups who received the payments for the paroles and I will not touch the four men or the bribe giver.

'I want the big shots who greased the way.'

'They prate of naming my own price, of backing me for U.S. senator, but I repeat that I want the higher-ups. Then there is a lull in the conversation and they suddenly remember a previous appointment.'

Caused Furor

Busbey is a member of the investigating committee that caused such a furor that paroles of Paul Ricca, Charles Nicoe and Louis Campagna were recalled

Ricca is contesting the ~~recall~~ by a writ of ~~habeas~~ corpus in Federal Court but the other two are back in Atlanta federal prison.

Phil D'Andrea, fourth of the big shots among the mob set, is ill and no action has yet been taken on his parole.

CHICAGO DAILY NEWS
Thur. Aug. 12, 1948 9

CHICAGO DAILY NEWS
Aug 12, 1948

3/3/95 SPS CA/CK

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-29-2013
F42M58K20

CO-150

BUREAU OF INVESTIGATI[ON]
[U]TES DEPARTMENT OF JUST[ICE]

[MR.] R. ROSEN
[MR.] R. McCABE
[MR.] R. DONOHUE
COMMUNICATIONS SECTION

CONFIDENTIAL

AUGUST 30, 1948

URGENT

CODE ROOM

Transmit the following message to: SAC, CHICAGO
NEW YORK

LOUIS CALABRIA, WAS, ET AL, ESPIONAGE, PAROLE MATTERS. IMMEDIATELY DISCONTINUE TECHNICAL SURVEILLANCES PRESENTLY IN OPERATION IN THIS CASE. SUBMIT MEMORANDA AT ONCE INCORPORATING INFORMATION RECEIVED FROM THESE SOURCES TO DATE.

HOOVER

CAC:MCK

58-2000

3/3/95 SP5 a/m
CHANGED TO CLASS

CLASS. & EXT. BY SP5 RIG/B
REASON - FCIM II, 1.2.4.2
DATE 27 [illegible] 1-12-11

RECORDED - 1861

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. [illegible]
Mr. [illegible]
Mr. Quinn Tamm
Mr. [illegible]

5:27 PM

CONFIDENTIAL

Per RB

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-29-2013
F42M58K20

ERAL BUREAU OF INVESTIGA
D STATES DEPARTMENT OF J

CC-150

To: COMMUNICATIONS SECTION. ~~CONFIDENTIAL~~

Transmit the following message to: URGENT

AUGUST 2, 1943

RECORDED - 62-29000-1862

CHAC, CHICAGO

LOUIS CAMPAGNA, WAS, ET AL, EXTORTION, PAROLE MATTERS. REURTEL CALL JULY TWENTY SEVEN LAST. ATTORNEY GENERAL HAS SUGGESTED THE CONTINUANCE OF TECHNICALS FOR TWO WEEKS OR SO. AT THE END OF THAT PERIOD YOU WILL BE ADVISED FURTHER.

HOOVER

JGL:OD

62-29000-22

G.I.R. 2

~~ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.~~

~~Classified by SAC Calvin Declassify on: OADR~~

RECEIVED
FBI
AUG 2 9 49 PM '48
U.S. DEPT. OF JUSTICE
FBI

RECEIVED
FBI
AUG 2 6 28 PM '48
U.S. DEPT. OF JUSTICE
FBI

Mr. Tolson
Mr. A. H. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Miss Gandy

TELETYPE

AUG 2 1948 ~~CONFIDENTIAL~~

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SENT VIA 9-03 M Per

SECURITY DIVISION - FBI

_____ 1948

TO:

____Director

____Mr. Tolson
____Mr. Clegg
____Mr. Glavin
____Mr. Harbo
____Mr. Nichols
____Mr. Rosen
____Mr. Tracy
____Mr. Q. Tamm
____Mr. Mohr
____Miss Gandy
____Mr. Nease

____Mr. H. B. Fletcher
____Mr. Baumgardner
____M_____
____M_____

____Mr. Laughlin
____Mr. Wall
____Mr. Keay
____Mr. Whitson
____M_____

____Mr. Winterrowd
____Mr. J. A. Carlson
____Mr. E. J. McCabe

____Mr. Sanders
Foreign Service Desk

____Miss Artley
____Miss Gray
____Mrs. Metcalf

____Mrs. Davidson

____Chief Clerk's Off.
____Records Section
____Personnel Files
____Mechanical Sec.
____Ident. Division
____Technical Lab.

____See Me
____Call Me
____Appropriate action
____Note & return
____Send file
____Bring up-to-date
____Correct
____Re-date
____Please initial & return
____Place on record & return
____Place on record

_____

_____

_____

_____

D. M. Ladd - Rm. 5736
Telephone Ext. 555

DO-8

OFFICE OF THE DIRECTOR
FEDERAL BUREAU OF INVESTIGATION

7/30 1948

___Mr. Tolson	___Mr. Waikart
___Mr. Clegg	___Mr. Jones
___Mr. Glavin	___Mr. Callahan
✓ Mr. Ladd	___Mr. H. L. Edwards
___Mr. Nichols	___Mr. McGuire
___Mr. Rosen	___Mr. Mohr
___Mr. Tracy	___Mr. Cartwright
___Mr. Harbo	___Mr. Renneberger
___Mr. Fletcher	___Mr. Nease
___Mr. Carlson	___Miss Gandy
___Mr. Winterrowd	___
___Mr. Pennington	

___Miss Holmes	___Records Section
___Miss Tomcavage	___Personnel Files
___Telephone Room	___Reading Room
	___

___For Your Info.	___Please Initial
___Note and Return	___See Me
___File	___Call Me
___Return With File	___Recopy
___Def. Record-Route	___Def. Record-Return

NOTE

From

THE ATTORNEY GENERAL

to

Official indicated below by check mark

Solicitor General	
Assistant to the Attorney General	
Assistant Attorney General, Anti-Trust	
Assistant Attorney General, Tax	
Assistant Attorney General, Claims	
Alien Enemy Control Section	
Alien Property Section	
Assistant Attorney General, Lands	
Assistant Attorney General, Criminal	
Assistant Solicitor General	
Director, FBI	✓
Director of Prisons	
Director, Office of Alien Property	
Commissioner, Immigration and Naturalization	
Liaison Officer, Immigration and Naturalization	
Administrative Assistant	
Division of Accounts	
Division of Communications and Records	
Division of Supplies	
Pardon Attorney	
Parole Board	
Board of Immigration Appeals	
Librarian	
Director of Public Information	
Mr. Bergson	
Mr. Underhill	
Miss Kennedy	
Mr. Hyatt	
Mr. Coblenz	
Mr. Kaufman	
Mrs. Stewart	
Miss O'Donnell	
Miss Healy	
Mrs. Kroll	
Miss Adams	
Miss Doyle	
Mrs. Willey	
Mrs. Burke	
Mrs. Kelly	

MEMORANDUM

4

Mr. Tolson	
Mr. Clegg	
Mr. Glavin	✓
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Mohr	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	
Miss [illegible]	

The notation on the attached reads as follows:

"FBI
I suggest you keep them on for a couple of weeks or so and see what goes on."

Director
7-30-48

DEFERRED RECORDING

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/3/95 BY SP5 alm

ARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : The Attorney General PERSONAL AND CONFIDENTIAL DATE: July 27, 1948

FROM : Director, FBI

SUBJECT: LOUIS CAMPAGNA, WAS., ET AL.
BRIBERY; PAROLE MATTERS

This Bureau, as you know, is still maintaining technical surveillances, at the request of the Department, on the following individuals in connection with the captioned case:

Louis Campagna
Paul DeLucia
Charles Gioe
Anthony (Joe) Accardo
Hope Farris
Tony Ricci

DECLASSIFIED BY SP5CA/AS/
ON 3/3/95

In view of the recent apprehensions of DeLucia, Campagna and Gioe, it would be appreciated if you would advise which, if any, of these technical surveillances may be discontinued.

58-2000-1862

RECORDED - 63

22 AUG 13 1948

OFFICE OF THE ATTORNEY GENERAL
RECEIVED
JUL 28 1948

KEEP IN F. B. I. FILES

8/11/48 G.F.S.

The Attorney General

August 31, 1948

Director, FBI

1863

RECORDED - 91 LOUIS CALPACCA, WAS, ET AL
DIBENY, PAROLE MATTERS

There is enclosed herewith for your information a photostatic copy of a newspaper clipping relative to this case published in Chicago on August 18, 1948.

Enclosure

58-2000
CAE:AL

F. B. I.

313.195 SPSA/cw

RECEIVED

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm

TIME
DATE
BY

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. ROSEN

DATE: August 19, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/3/95 BY SP5 CAC

For the information of the Bureau there is transmitted herewith a clipping from the Chicago Sun-Times of August 18, 1948, which relates to the captioned matter.

MG
Encl.
1 ENCL 91

Let 6. H
cae 8-31-48

RECORDED - 91

58-2000-1863 enc

FBI

3 SEP 2 1948

Mr. Tolson
Mr. Rosen
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn
Mr. Nease
Miss Gandy

24461

Perjury! cry mob parolees

Three former Capone gangsters seeking to clear parole hurdles now charge they were convicted on perjury testimony in the $1,000,000 movie shakedown plot.

The three also charge that the warrants revoking their paroles were "capricious" and "arbitrary."

A review of these cases was asked by their attorney, William Scott Stewart, in a petition to the U.S. Dist. Court.

The three are Louis (Little New York) Campagna, Paul (The Waiter) Ricca and Charles (Cherry Nose) Gioe.

They and Philip D'Andrea were freed on parole after serving a third of their 10-year sentences in the movie extortion case tried in New York. Last month the paroles of all but D'Andrea were revoked.

Gioe and Campagna were returned to Atlanta penitentiary for a hearing on charges they violated their paroles.

Ricca was freed on $10,000 bond by U. S. Dist. Judge Michael L. Igoe pending a hearing Sept. 20 on Ricca's petition to avoid a return to the penitentiary.

Campagna was denied a similar hearing by U. S. Dist. Judge John P. Barnes. Atty. Stewart has notified Barnes that he is appealing the decision.

In his petition on behalf of Gioe, Campagna and Ricca, Stewart asked that the New York conviction and the revocation of the paroles be declared void.

For Gioe and Campagna, he asked an order transferring them into jurisdiction of the court for a parole hearing in which they may have advice of counsel.

CHICAGO DAILY SUN—TIMES
8-18-48

23 3 55 585 a/gw

ENCLOSURE
58-2000-1863

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. MC CABE

FROM : A. ROSEN

DATE: 8/27/48

SUBJECT: LOUIS CAMPAGNA, ET AL
BRIBERY: PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

I called Peyton Ford and advised him that SAC McSwain had received telephonic authority from Kerner to take the technicals out in this case pursuant to a conversation which Mr. Kerner had with Peyton Ford of the Department in which Ford told Kerner that he could authorize the Bureau to take the technicals out and discontinue all technical coverage. Ford stated that he had called Kerner and that Kerner did not see any use in keepingthem on and he, therefore, told him it would be all right to remove them. A confirmatory memorandum should be written to Peyton Ford advising him that in accordance with instructions received all technical coverage was discontinued in the above-entitled case.

AR:WW

Memo Rosen to Ladd
Memo Peyton Ford
Tel W.F. to C&O
Tel 8-30-48

71 SEP 13 1948

RECORDED - 51 158-2000-1864

32

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-3-93 BY SP5 alw

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. D. M. Ladd

DATE: August 30, 1948

FROM : Mr. A. Rosen

SUBJECT: LOUIS CAMPAGNA, WAS., ET AL
BRIBERY, PAROLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

Technical surveillances were instituted in this case in December, 1947, and January, 1948, at the specific request of Mr. Peyton Ford, the Assistant to the Attorney General.

In view of the arrests made on parole violators warrants of four of the subjects in this case, the Bureau requested advice from the Department relative to the continuance of these surveillances.

On August 27, 1948, SAC McSwain of the Chicago Division telephonically advised that the United States Attorney there, Otto Kerner, Jr., had told McSwain that the technicals in this case were no longer needed. Mr. Kerner stated that this conclusion had been reached after a discussion by him with Mr. Peyton Ford. On the same date Mr. Ford telephonically advised the Bureau that the technical surveillances in this case could be discontinued.

ACTION

There is attached a teletype to the New York and Chicago Divisions instructing that the technical surveillances in this case be discontinued. There is also attached a memorandum to Mr. Ford confirming his telephonic instructions that the technicals be discontinued.

Attachment

CAE:wsk

58-2000

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/3/95 BY SP5a/cal

8/30/48

RECORDED - 98

58-2000-1865
F B I

31 SEP 1 1948

[redacted]
[redacted]

RECORDED - 98

Mr. Boyton Ford
The Assistant to the Attorney General
Director, EOI

August 30, 1943

Personal & Confidential

LOUIS CAMPAGNA, AKA., ET AL
BAILEY, FELON, ETC.

In accordance with your telephonic conversation with Assistant Director Rosen of this Bureau, please be advised that all the technical surveillances instituted in this case at your request are being immediately discontinued.

CAE:walk
50-2000

5-3/3/95 SRS ca/aw

[redacted]

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Sandoe

PERSONAL AND CONFIDENTIAL

RECORDED - 68 94-4-3-C-1866

Mr. Peyton Ford
The Assistant to the Attorney General
Director, FBI

August 27, 1943

LOUIS CAMPAGNA, with aliases, ET AL
BRIBERY; FALSE PRETENSES

EX-39

Enclosed herewith are memoranda reflecting information received from the technical surveillances in this case which were instituted at your request. Copies of these memoranda have been made available to the United States Attorney at Chicago.

Enclosures 2

CAE:LS
58-2000

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

Federal Bureau of Investigation

United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
August 23, 1948

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Miss Gandy

AIR MAIL * SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA was ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "ANTHONY ACCARDO" covering data obtained from Cgo-5683 during the period August 14, 1948 through August 20, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 23, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there were only two calls made over the telephone at the residence of ANTHONY ACCARDO.

RETAINED 3/3/95
SPSA/AS

3 ENCL

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

39

cc - New York (Enc. 2) - AUSD

DEW:OC
58-194

RECORDED - 66

INDEXED - 66

58-Jcc-1346

EX-39

ANTHONY ACCARDO

There were only two calls made from the telephone at the residence of ANTHONY ACCARDO during the period August 14, 1948 through August 20, 1948. Nothing of interest or significance was noted.

3/2/95 SPSC/cw

58-2000-1364

CLOSURE

Federal Bureau of Investigation
United States Department of Justice
Post Office Box 812
Chicago 90, Illinois
August 23, 1948

Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Clegg
Mr. Harbo
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "CHARLES GICE" covering data obtained from Cgo-5682 during the period August 14, 1948 through August 20, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 23, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there was a total of two calls made and received over the telephone at the residence of CHARLES GICE. One call was incoming and one was an outgoing call.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

DEW:OC
58-194

RECORDED - 66 58-2000-1867

INDEXED

39

CHARLES GIOE

There were fewer calls made and received over the telephone at the residence of CHARLES GIOE during the period August 14, 1948 through August 20, 1948 than in the previous period. All of these calls pertained to personal and social matters and nothing of interest was noted.

3/3/95 SR5a/aw

58-2000-1141

Federal Bureau of Investigation
United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
August 23, 1948

Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Carson Tamm
Miss Gandy

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "LOUIS CAMPAGNA" covering data obtained from Cgo-5681 during the period August 14, 1948 through August 20, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 23, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there was a total of thirteen calls made and received over the telephone at the residence of LOUIS CAMPAGNA. Two were incoming calls and eleven were outgoing calls.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

DEW:CC
58-194

RECORDED - 66 58-2000-18686

EX-39

EX-39

LOUIS CAMPAGNA

There were more calls made and received over the telephone at the residence of LOUIS CAMPAGNA during the period August 14, 1948 through August 20, 1948 than in the previous period. All of the calls pertained to personal and social matters; however, CHARLOTTE CAMPAGNA discussed her trip to Atlanta, Georgia, on August 25 on several occasions.

5/3/95 SPS a/cw

58-2000 - 1

Federal Bureau of Investigation
United States Department of Justice
Post Office Box 812
Chicago 90, Illinois
August 23, 1948

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "PAUL DE LUCIA" covering data obtained from Cgo-5680 during the period August 14, 1948 through August 20, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 23, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that there was a total of six calls made and received over the telephone at the residence of PAUL DE LUCIA during the period covered by this memorandum. Two of these calls were incoming and four were outgoing calls.

Very truly yours,

G. R. McSWAIN
SAC

3 Encl.
16 Enc. 3

cc - New York (Enc. 2) - AMSD

EX-39

DEW:OC
58-194

58-2000-5-61869

RECORDED - 66
INDEXED - 66

EX-39

PAUL DE LUCIA

There were fewer calls made and received over the telephone at the residence of PAUL DE LUCIA during the period August 14, 1948 through August 20, 1948 than in the previous period. The majority of these calls pertained to personal and social matters. The following call may be of some significance:

At 6 p.m. on August 18, 1948 an incoming call was received by PAUL DE LUCIA from an unknown individual. DE LUCIA asked this individual if he had sent him (DE LUCIA) a letter and the unknown man said that he had sent a lot of copies of letters so that DE LUCIA could keep posted. The unknown man also stated that "the judge and I'm making a motion on behalf of everybody . . . you're the only one that's out, so I'd like to have you with me. Get into my office about 10:30".

3/3/95 SP50 (ad)

58-2000-1(1.9

CLOSURE

United States Department of Justice
Federal Bureau of Investigation

New York, New York

IN REPLY, PLEASE REFER TO
FILE No. _____

August 24, 1

CONFIDENTIAL

Director, FBI

Attention: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA, was., et al
BRIBERY, PAROLE MATTERS

Dear Sir:

There are enclosed herewith appropriate copies of a blind memorandum captioned "HOPE FARRIS" reflecting data obtained from Confidential Informant NYT 471 during the period 8/14/48 to 8/20/48 inclusive.

During this period there was a total of 11 telephone calls made or received over this phone.

Very truly yours,

Edward Scheidt

EDWARD SCHEIDT, SAC

2 ENCL 66

Encs. 2

cc Chicago (encs. 2 AMSD)

DECLASSIFIED BY SP5 a/cas
ON 3/3/95

SPECIAL DELIVERY

EX-39

CAD:HJC
58-490

RECORDED - 66

58-2000-1870

INDEXED - 66

22 SEP 2 1948

Memo to P. Ford
1 cc of encl.
8/27/48 - Cat

SEP 17 1948

EX-39

FOR VICTORY BUY UNITED STATES WAR BONDS AND STAMPS

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease

HOPE FARRIS

During the period 8/14/48 to 8/20/48 inclusive there was a total of 11 telephone calls made or received over the phone in the apartment of HOPE FARRIS. These calls were social and personal in nature.

It was noted that at 10:50 AM on 8/14/48 HOPE FARRIS received a call from her friend PAUL MARSHAL (ph) and in this call it was indicated that she was going to Saratoga, N.Y. the next day, 8/15/48.

It was also noted that at 9:11 AM on 8/18/48 a man by the name of PAUL, probably PAUL MARSHAL, made a call from the phone in HOPE FARRIS' apartment to Saratoga Springs 215M and spoke to MISS FARRIS. At that time it was indicated that HOPE FARRIS would return to NYC 8/20/48 with a man identified as GENE (ph).

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/3/95 BY SP5 a/cm

58-2000-1870

ENCLOSURE

United States Department of Justice
Federal Bureau of Investigation
New York 7, New York

IN REPLY, PLEASE REFER TO
FILE No.

August 24, 1948

CONFIDENTIAL

Director, FBI

Attention: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA, was., et al
BRIBERY, PAROLE MATTERS

Dear Sir:

There are enclosed herewith appropriate copies of a blind memorandum captioned "TONY RICCI" reflecting data obtained from Confidential Informant NYT 466 during the period 8/14/48 to 8/20/48 inclusive.

During this period there was a total of 2 telephone calls made or received over this phone.

Very truly yours,

Edward Scheidt EJS

EDWARD SCHEIDT, SAC

Encs. 2

cc Chicago (encs. 2 AMSD)

SPECIAL DELIVERY

CAD:HJC
58-490

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

FOR VICTORY BUY UNITED STATES WAR BONDS AND STAMPS

DECLASSIFIED BY SP5 a/cw ON 3/3/95

58-2000-1871
E B I
12 SEP 2 1948

RECORDED - 66
INDEXED - 66

EX-39

SEP 17 1948

TONY RICCI

During the period August 14, 1948 to August 20, 1948 inclusive there was a total of 2 telephone calls made or received over the phone in the apartment of TONY RICCI. These calls were social and personal in nature. None of these calls were of any possible interest or significance.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/3/95 BY SP5 CA/CW

58-2000 - 1871

COM-4

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-29-2013
F42M58K20

~~CONFIDENTIAL~~

F.B.I. TELETYPE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

DECODED COPY

WASHINGTON FROM NEW YORK 37 31 6:55 PM

DIRECTOR URGENT

LOUIS CAMPAGNA, WAS., ET AL, BRIBERY, PAROLE MATTERS. REBUTEL AUGUST THIRTY LAST. TECHNICAL INSTALLATIONS AT APARTMENT OF TONY RICCI, ONE TWO FIVE OCEAN PARKWAY, BROOKLYN, NY, SYMBOL NYT 466 AND AT APARTMENT OF HOPE FARRIS, ONE HUNDRED COOPER STREET, NYC, SYMBOL NYT 471 DISCONTINUED EIGHT FIFTY AM THIS DATE.

SCHEIDT

RECEIVED: 8-31-48 8:08 PM MW

CLASS. & EXT. BY SP-5 | R56 B
REASON - FCIM 11, 1-2, 4.2
DATE OF REVIEW 1-12-95

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.

2/3/95
Classified by SP5 a/cw
Declassify on: OADR

INDEXED - 99
RECORDED - 99

158-2000-1872
F B I
31 SEP 2 1948

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably paraphrased in order to protect the Bureau's coding systems.

~~CONFIDENTIAL~~

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: August 23, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

For the information of the Bureau there are transmitted herewith clippings from the Chicago Herald-American of August 19 and 20, the Chicago Sun-Times of August 20, and the Chicago Tribune of August 20 and 23, 1948 which relate to the captioned matter.

MG
Encs. (5)

RECORDED - 61 58-2000-1873

31 SEP 9 1948

5 ENCL 61

Let Abs, with photostats 9-3-48 cac, mp

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/3/95 BY SP5 CAC/cw

58-2000-1873

The Attorney General

September 3, 1940

Director, FBI

ED - 61

LOUIS CAPPOZZA, WAS; ET AL
EXTORTION; PAROLE MATTERS

For your further information, I am enclosing herewith photostatic copies of newspaper articles relative to this case published at Chicago between August 19 and 23, 1940.

Enclosures

CAE:MJP
58-2000

3 I. R. -8

SEP 3 12 59 PM '40
RECEIVED-TOLSON
F B I
U.S. DEPT. OF JUSTICE

SEP 3 5 05 PM '40
DIRECTOR'S RECEIVED ROOM
U.S. DEPT. OF JUSTICE
F B I

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Yancy

SENT FROM D. O.
TIME
DATE
BY

Sue U.S. in Revoking of Mobsters' Paroles

Another desperate move in the Guzik-Ricca-Capone syndicate battle to pry two of their chiefs, Louis (Little New York) Campagna and Charles (Cherry Nose) Gole, out of federal prison was recorded today in U.S. District Court.

For the first time in history the U. S. Board of Paroles was sued for damages on a charge that its revocation of paroles to Campagna, Gole, and a third syndicate chieftain, Paul (The Waiter) Ricca, was illegal.

SUIT FOR $1

The damages sought were the lowest possible under law --$1.

Back of the suit, filed by Atty. William Scott Stewart, Federal officials saw the second of a series of actions designed to free Campagna and Gole, and keep Ricca out of prison.

The parples were revoked by the federal board last month.

THE CHICAGO AMERICAN
8-19-48

3/3/95 SAC/ad

FEDERAL BUREAU OF INVESTIGATION
AUG 20 1948
U. S. DEPARTMENT OF JUSTICE
CHICAGO, ILLINOIS

Gang Trio to Appeal Setback on Paroles

Attorney William Scott Stewart said today he would appeal to the Circuit Court of Appeals the ruling of Federal Judge Elwyn R. Shaw dismissing the suits of three Capone gangsters seeking judicial review of the revocation of their paroles.

JUDGE'S RULING

In his decision, Judge Shaw said:

"I think if the position of the petitioners were sound, Congress would have never passed the parole act. Parole is an act of mercy. You certainly cannot compel the board of parole to grant a parole.

Louis "Little New York" Campagna, Paul "The Waiter" Ricca, and Charlie "Cherry Nose" Gioe were convicted with Philip D'Andrea in New York in a $1,000,000 shakedown of movie magnates. The paroles of all but D'Andrea were revoked last month.

'WON'T INTERFERE'

"So long as the board exercises its discretion in an orderly way, no court has any jurisdiction over it. The court cannot interfere with such matters."

Stewart contended that there "is no department in the government which assumes to itself the ~~power~~ the parole board assumes. It has taken away liberty."

THE CHICAGO AMERICAN
8-20-48

3/3/95 SPSA/aw

ENCLOSURE

Revoking of paroles is upheld

Three former Capone associates were licked again in an effort to gain their freedom once more from the federal penitentiary.

Judge Elwyn R. Shaw in U.S. District Court refused to review the revocation of their paroles by the federal parole board. He also dismissed their suit for $1 damages against the board.

The three are Louis "Little New York" Campagna, Paul "The Waiter" Ricca, and Charles "Cherry Nose" Gioe.

They were paroled after serving a third of their 10 years sentence for taking part in a $1,000,000 extortion plot involving movie magnates. Their paroles were revoked last month.

In dismissing the motion of Attorney William Scott Stewart that Campagna and Gioe be released from prison at Atlanta, Ga., pending final disposition of the case, Judge Shaw said he did not have the power to act. The parole board, he said, has "almost unlimited" discretion in such a case. Ricca is out on bond.

CHICAGO DAILY SUN—TIMES

8-20-48

5/3/95 SRSa/cw

ENCLOSURE

BUSBEY CHARGES NEW U.S. DODGE IN PAROLE CASE

BY JAMES DOHERTY

A new charge that President Truman and Atty. Gen. Tom C. Clark are blocking a congressional search for corruption in federal paroles granted to Chicago criminals was made yesterday by Congressman Fred E. Busbey (R.,Ill.). Busbey said the Truman–Clark regime is concealing data concerning the paroles of Bert K. Naster, industrialist, and other offenders, as they did in the Capone gang parole investigation.

On Aug. 10, Busbey said, he asked Charles W. Fisher, head of the federal parole office in Chicago, to furnish data concerning the quick release from prison of Naster, who pleaded guilty to a charge of cheating the government out of $225,000 in income tax payments. Records of others paroled here since Clark became head of the department of justice were also requested, the Chicago congressman explained.

Scents A "Parole Ring"

"I know there has been a 'spy ring' operating in Washington," Congressman Busbey said, "and I have been seeking evidence of a 'parole ring' operating in Chicago. The information I asked should be available to any citizen."

The house committee on executive expenditures, which has been making inquiries concerning the pay-off for paroles given to Paul Ricca, Louis Campagna, Phil D'Andrea, and Charles Gioe, Capone gangsters convicted in New York of extortion of 1 million dollars from the movie industry, experienced constant opposition from the executive branch of the government, Busbey recalled. In this matter he said, here's what has happened:

Fisher, whose job is under the control of the federal judges of the northern Illinois district, dared not comply with the request of Busbey, who is a member of the investigating committee of which Rep. Hoffman (R., Mich.) is chairman. Fisher referred the congressional request to the board of paroles in Washington.

The Buck Is Passed

Dr. George Killinger, newly appointed chairman of the parole board, and Walter Urich, "parole executive," told Fisher the only advice they could give him was to transfer his request to the man who is really his boss, Richard Chappell, chief of probation officers, whose office is in the Supreme court building in Washington.

Chappell sent back word to Fisher, whose title here is chief probation officer, to ask the advice of the United States attorney of this district, Otto Kerner Jr. After considerable consulting, conferring, debating, and considering, Fisher was advised to go right to the top and ask Atty. Gen. Clark if it would be all right to give the parole data to Busbey.

"Twelve days have now elapsed and I have received no answer from Mr. Fisher, who hasn't received an answer from Clark," Busbey announced. "It must be that the parole officials do not want congress or the public to know who is responsible for the freedom of many crooks."

CHICAGO DAILY TRIBUNE
8-23-48

3/3/95 SRJ a/cw

ENCLOSURE

COURT REFUSES PLEA TO TIE UP PAROLE BOARD

Rejects All Motions for 3 Gangsters

BY JAMES DOHERTY

Judge Elwyn R. Shaw in federal District court yesterday refused to interfere in the proceedings of the parole board aimed at revoking the freedom of Paul Ricca, reputed king of the mafia, and his fellow hoodlums, Louis Campagna and Charles Gioe.

The court also dismissed a suit filed earlier in the week for the three against the members of the parole board in which the convicts charged the parole board sought to "kidnap" and reimprison them without due process of law. They asked $1 damages.

Refuses Order For Two

Ricca appeared in Judge Shaw's courtroom with William Scott Stewart, attorney for the gangsters who were paroled a year ago. Campagna and Gioe, however, were not present and Judge Shaw refused to order them brought here from the Atlanta penitentiary, to which they were taken last month as parole violators. Ricca was free because of a writ of habeas corpus on which Federal Judge Michael L. Igoe is to give him a hearing on Sept. 20.

Assistant United States Atty. John P. Lulinski, representing the government, asked first that the damage suit against the board members, Fred S. Rogers, B. K. Monkiewicz and Dr. George Killinger, be thrown out. He said the parole board is a nonsuable entity of the United States government. Judge Shaw agreed with him.

"Show me where I have any authority," Judge Shaw admonished Stewart as the lawyer demanded that the court issue several orders.

Wants Conviction "Reversed"

As asked by Stewart, they were:

1. That the court declare void the original conviction in New York when the gangsters were sentenced to 10 years as extortioners of $1,000,000 from the movie industry.

2. That the court declare the warrants, recently issued by the board classing Ricca, Campagna and Gioe as parole violators be declared void.

3. That the court order the parole board to hold public hearings in Chicago on any and all complaints that Ricca or his fellow gangsters violated the paroles which cut the term they served to 3 1/2 years.

Argues New Law Applies

Stewart told Judge Shaw a law passed by congress in 1946 set up new rules for the parole board which were not followed in the effort to send the gangsters back to prison.

The new law gives the courts power to review all actions by governmental agencies, Stewart insisted, and the convicts were asking immediate relief for many reasons which he wanted to state.

"I think a person's rights are forfeited when he becomes a convict," said Judge Shaw. "Anything taken off the term of his sentence is an act of mercy by the parole board. These men are now attacking the mercy of the government. Case dismissed."

Members Not Judges

In his petition and arguments Stewart addressed members of the parole board as "judges." They are not judges, according to Congressman Fred E. Busbey (R., Ill.), Chicago member of the congressional committee still investigating the financial aspects of the paroling of the gangsters.

"Mr. Stewart says the federal parole board is nonpartisan and includes a Republican, whom he calls Judge Monkiewicz. Mr. Monkiewicz was never a judge, records show, and the parole board is not nonpartisan.

"All three present members were appointed by Atty. Gen. Clark and were selected by him with the ap-

CHICAGO DAILY TRIB

8-20-48

5/3/95 SP5a/aw

ENCLOSURE

COM-4

DECLASSIFICATION AUTHORITY DERIVED FROM:
FBI AUTOMATIC DECLASSIFICATION GUIDE
DATE 04-30-2013
F42M58K20

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

~~CONFIDENTIAL~~

F.B.I. TELETYPE

DECODED COPY

WASHINGTON 4 FROM CHICAGO 1 12-28 P CS

DIRECTOR, FBI

URGENT

CLASS. & EXT. BY SP5/RJG/BS
REASON - FCIM 11, 1.2. 4.2
DATE OF REVIEW 1-12-91

ATTENTION - ASSISTANT DIRECTOR A. ROSEN

LOUIS CAMPAGNA WAS, ETAL. BRIBERY, PAROLE MATTERS. REURTEL AUGUST THIRTY LAST. TECHNICAL SURVEILLANCES DESIGNATED CHICAGO 5680, 5681, 5682, AND 5683 DISCONTINUED NINE AM AUGUST THIRTYONE LAST.

CONF. INFT.

MC SWAIN

RECEIVED: 9-1-48 2:14 PM MET

RECORDED - 98 58-2000-1874

INDEXED - 98 10 SEP 9 1948

~~ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE.~~

~~Classified by SP5 a/a~~
~~Declassify on: OADR~~

cc: Mr. Rosen

~~CONFIDENTIAL~~

If the intelligence contained in the above message is to be disseminated outside the Bureau, it is suggested that it be suitably paraphrased in order to protect the Bureau's coding systems.

53 SEP

United States Department of Justice
Federal Bureau of Investigation

New York, New York

IN REPLY, PLEASE REFER TO
FILE No. _____

September 1, 1948

CONFIDENTIAL

Director, FBI

Attention: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA, was.; ET AL
BRIBERY, PAROLE MATTERS

Dear Sir:

There are enclosed herewith appropriate copies of a blind memorandum captioned "TONY RICCI" reflecting data obtained from Confidential Informant NYT 466 during the period 8/21/48 to 8/31/48 inclusive.

During this period there was a total of 3 telephone calls made or received over this phone.

DEFERRED RECORDING

Very truly yours,

Edward Scheidt

EDWARD SCHEIDT, SAC

ENCL 7
1 copy to Peyton Ford
Encs. 2 EX-35 cae 9-8-48

2cc Chicago (encs. 2 AMSD)

RJS:HJC
58-490

SPECIAL DELIVERY

RECORDED - 40
INDEXED - 40
EX-35

58-2000-1875
F B I
31 SEP 10 1948

RECLASSIFIED BY SP5 a/as
ON 8/6/95

50 SEP 23 1948

TONY RICCI

During the period 8/21/48 to 8/31/48 inclusive there was a total of 3 telephone calls made or received over the phone in the apartment of TONY RICCI. These calls were social and personal in nature. Only one of these calls was of any possible interest or significance.

It was noted that at 1:45 PM on 8/22/48 a call was made by HOPE FARRIS to a woman believed to be CLEO RICCI, wife of TONY RICCI. During this conversation, FARRIS asked CLEO "How was your trip to Chicago?" and CLEO replied "We had a fair time". It was not definitely indicated who "We" included but possibly meant CLEO and her husband. The length of their stay in Chicago and the reason for the trip was not indicated.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 a/Cw

58-2000-1875

ENCLOSURE

United States Department of Justice
Federal Bureau of Investigation
New York, New York

IN REPLY, PLEASE REFER TO
FILE No. _____

September 1, 1948

CONFIDENTIAL

Director, FBI

Attention: Assistant Director A. ROSEN

Re: LOUIS CAMPAGNA, was.; ET AL
BRIBERY, PAROLE MATTERS

Dear Sir:

There are enclosed herewith appropriate copies of a blind memorandum captioned "HOPE FARRIS" reflecting the data obtained from Confidential Informant NYT 471 during the period 8/21/48 to 8/31/48 inclusive.

P.L. Lascetti

During this period there was a total of 29 telephone calls made or received over this phone.

DEFERRED PROSECUTING

Very truly yours,

Edward Scheidt
SPD

EDWARD SCHEIDT, SAC

Encs. 2

1 copy Peyton Ford
enc 9-8-48

2cc Chicago (encs. 2 AMSD)

RJS:HJC
58-390

RECORDED - 40
INDEXED - 40

58-2000-1876
F E H

31 SEP 10 1948

SPECIAL DELIVERY

EX-35

EX-35

DECLASSIFIED BY SP5 alm
ON 3/6/9

50 SEP 23 1948

HOPE FARRIS

During the period 8/21/48 to 8/31/48 inclusive, there was a total of 29 telephone calls made or received over the phone in the apartment of HOPE FARRIS. These calls were social and personal in nature.

It was noted that at 1:45 PM 8/22/48 HOPE FARRIS called an unidentified woman believed to be CLEO RICCI, wife of TONY RICCI ,and at that time FARRIS told CLEO that she, FARRIS, had returned from Saratoga late on the afternoon of 8/21/48, that she was supposed to stay another week but didn't like it at Saratoga so returned to NYC.

It was also noted that at 2:55 PM on 8/26/48 FARRIS called the reservation office of Eastern Airlines in NYC and made a reservation of one seat in the name of MISS FARRIS on Flight #601 leaving Newark Airport at 3:30 PM DST for Miami, Fla., indicating she intended to stay in Miami Beach Florida for about one week.

It was further noted that at 7:00 PM on 8/29/48, HOPE FARRIS received a call from an unidentified man at which time she advised the caller that another unidentified man had advised her that he could not leave until Saturday or Sunday and that she, FARRIS, should make a reservation on a plane for Miami on both September 4th and 5th. The caller told her to make one reservation under the name of P. LASCETTI (ph) and another for the next day under the name of EVANS. The caller also gave FARRIS two telephone numbers to furnish the airline company as numbers where the passenger could be reached. These telephone numbers were Ludlow 4-2755 and Ludlow 4-0414. It has been ascertained that Ludlow 4-2755 is listed for the Tuccillo Contracting Co., 585 East 187 Street, Bronx, New York and Ludlow 4-0414 is listed for PETER T. LACCETTI, 585 East 187th Street, Bronx, N.Y.

At 7:15 PM on 8/29/48 HOPE FARRIS called the reservation office of Eastern Airlines and made a reservation for one seat on flight #601 leaving Newark Airport at 3:30 PM on Sept. 4th for Miami, Florida. FARRIS made this reservation in the name of MISS P. LASCETTI (ph) and gave telephone number Ludlow 4-2755 as the phone where the passenger could be reached. She again indicated she would remain in Miami for about one week.

It was not possible to definitely determine from these calls whether these reservations were for herself although no call was made from her apartment cancelling the first reservation made in her own name for Sept. 3rd.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/6/93 BY SP1 CAS

58-2000-1876

ENCLOSURE

Federal Bureau of Investigation

United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
September 1, 1948

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "PAUL DE LUCIA" covering data obtained from Cgo-5680 during the period August 28, 1948 to August 31, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on September 1, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that there was a total of three calls made over the telephone at the residence of PAUL DE LUCIA during the period covered by this memorandum, all outgoing calls.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

RER:OC
58-194

RECORDED - 40

58-2010-1877
F B I

31 SEP 10 1948

EX-35

PAUL DE LUCIA

During the period August 28, 1948 to August 31, 1948 there were three telephone calls made over the telephone at the residence of PAUL DE LUCIA. These calls pertained to personal and social matters and nothing of interest or significance was noted.

3/6/95 SRS a/cw

5[illegible]-2700-1877

ENCLOSURE

Federal Bureau of Investigation

United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
September 1, 1948

Mr. Clegg
Mr. Clavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Garnet
Mr. Harbo
Mr. Mohr

AIR MAIL * SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "LOUIS CAMPAGNA" covering data obtained from Cgo-5681 during the period August 28, 1948 to August 31, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on September 1, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

DELETED RECORDING

It is noted that there was a total of three calls made and received over the telephone at the residence of LOUIS CAMPAGNA during the period covered by this memorandum. One call was outgoing and two were incoming calls.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

RER:CC
58-194

RECORDED - 40

62-7-2010-1878
E B H

31 SEP 10 1948

EX-35

SEP 23 1948

DECLASSIFIED
CJ 3/16/95 SRS a/av

LOUIS CAMPAGNA

During the period August 28, 1948 to August 31, 1948 there were three telephone calls made or received over the telephone at the residence of LOUIS CAMPAGNA. These calls pertained to personal and social matters and nothing of interest or significance was noted.

3/6/95 SPSC/cw

58-2000-1678

ENCLOSURE

Federal Bureau of Investigation
United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
September 1, 1948

Mr. Nelson	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Labo	
Mr. Tamm	
Mr. Nease	
Miss Gandy	

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA was ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "ANTHONY ACCARDO" covering data obtained from Cgo-5683 during the period August 28, 1948 to August 31, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on September 1, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there were no telephone calls made or received at the residence of ANTHONY ACCARDO.

DEFINED RECORDING

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

RER:OC
58-194

RECORDED - 40
INDEXED - 40

58-2077-1879
F B I
31 SEP 10 1948

EX-35

SEP 23 1948

ANTHONY ACCARDO

During the period August 28, 1948 to August 31, 1948 there were no telephone calls made or received at the residence of ANTHONY ACCARDO.

3/6/55 SP5 CA(CW)

58-2000-1879

ENCLOSURE

Federal Bureau of Investigation
United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
September 1, 1948

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA was ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "CHARLES GIOE" covering data obtained from Cgo-5682 during the period August 28, 1948 to August 31, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on September 1, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there was one telephone call made over the telephone at the residence of CHARLES GIOE.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

RER:OC
58-194

RECORDED - 40
58-2011-1880
F B I
31 SEP 10 1948

CHARLES GIOE

There was one telephone call made over the telephone at the residence of CHARLES GIOE during the period August 28, 1948 to August 31, 1948. This call was of no interest or significance to this matter.

3/4/55 SRS:a/cw

ENCLOSURE

28-2000-1580

Federal Bureau of Investigation
United States Department of Justice
Post Office Box 812
Chicago 90, Illinois
August 30, 1948

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "PAUL DE LUCIA" covering data obtained from Cgo-5680 during the period August 21, 1948 through August 27, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 30, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that there was a total of ten calls made and received over the telephone at the residence of PAUL DE LUCIA during the period covered by this memorandum. Five of these calls were incoming and five were outgoing calls.

Very truly yours,

G. R. McSWAIN
SAC

1 copy Boston Ford
cac 9-8-48

EX-35

Enc. 3

RECORDED - 40 58-2000-1881

cc - New York (Enc. 2) - AMSD

EX-95

FBI
31 SEP 10 1948

RER: OC
58-194

5/6/95 SPSC/cas

PAUL DE LUCIA

There were approximately the same number of calls made and received over the telephone at the residence of PAUL DE LUCIA during the period August 21, 1948 through August 27, 1948 as in the previous period. These calls pertained to personal and social matters and nothing of interest or significance was noted.

3/6/95 SPSA/ac

58-2300-1391

ENCLOSURE

Federal Bureau of Investigation

United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
August 30, 1948

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "ANTHONY ACCARDO" covering data obtained from Cgo-5683 during the period August 21, 1948 through August 27, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 30, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there were no telephone calls made or received at the residence of ANTHONY ACCARDO.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

RER:OC
58-194

EX-35

RECORDED - 40 58-2000-1882
F B I
31 SEP 10 1948

EX-25

SEP 23 1948

ANTHONY ACCARDO

During the period August 21, 1948 through August 27, 1948 there were no telephone calls made or received over the telephone at the residence of ANTHONY ACCARDO.

3/6/95 SPSA/aw

58-2-0-1882

ENCLOSURE

Federal Bureau of Investigation
United States Department of Justice

Post Office Box 812
Chicago 90, Illinois
August 30, 1948

AIR MAIL * SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "CHARLES GIOE" covering data obtained from Cgo-5682 during the period August 21, 1948 through August 27, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 30, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that during the period covered by this memorandum there was a total of four calls made and received over the telephone at the residence of CHARLES GIOE. Two calls were outgoing and two were incoming calls.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

cc - New York (Enc. 2) - AMSD

RER:OC
58-194

RECORDED - 40 58-2000-1883
EX-35
31 SEP 10 1948

CHARLES GIOE

There were four telephone calls made or received over the telephone at the residence of CHARLES GIOE during the period August 21, 1948 through August 27, 1948. These calls pertained to personal and social matters and nothing of interest or significance was noted.

3/6/55 SPSC/cw

58-2700-1813

ENCLOSURE

Mr. Peyton Ford
The Assistant to the Attorney General
Director, FBI

September 8, 1948

LOUIS CAMPAGNA, WAS, ET AL
EXTORTION; PAROLE MATTERS

PERSONAL AND CONFIDENTIAL

Enclosed herewith are memoranda reflecting information secured from the technical surveillances which were instituted in this case at your request. Copies of these memoranda have been made available to the United States Attorney in Chicago.

In accordance with your telephonic advice and your letter of August 31, 1948, all technical surveillances in this case have been discontinued.

RECORDED - 40 - 1884

Enclosures

CAE:AL
58-2000

5 3/6/95 5Ps a/as

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

RECEIVED H.L.A. ... ROOM
SEP 9 4 37 PM '48

Federal Bureau of Investigation
United States Department of Justice
Post Office Box 812
Chicago 90, Illinois
August 30, 1948

AIR MAIL - SPECIAL DELIVERY

CONFIDENTIAL

Director, FBI

Attn: Assistant Director A. ROSEN

RE: LOUIS CAMPAGNA w.a.s ETAL
BRIBERY; PAROLE MATTERS

Dear Sir:

There are enclosed copies of a blind memorandum captioned "LOUIS CAMPAGNA" covering data obtained from Cgo-5681 during the period August 21, 1948 through August 27, 1948. One copy of this memorandum was furnished to the United States Attorney OTTO KERNER, Jr. on August 30, 1948 in accordance with the instructions contained in Bureau letter of January 17, 1948.

It is noted that there was a total of twenty calls made and received over the telephone at the residence of LOUIS CAMPAGNA during the period covered by this memorandum. Fourteen of these calls were outgoing and six were incoming calls.

Very truly yours,

G. R. McSWAIN
SAC

Enc. 3

RECORDED - 40 | 58-2000-1884
F B I
31 SEP 10 1948

cc - New York (Enc. 2) - AMSD

RER:OC
58-194

EX-35

3/16/95 SPS released

LOUIS CAMPAGNA

There were approximately the same number of calls made and received over the telephone at the residence of LOUIS CAMPAGNA during the period August 21, 1948 through August 27, 1948 as in the previous period. The majority of these calls pertained to personal and social matters. The following calls may be of some significance:

At 1 p.m. on the afternoon of August 24, 1948 an unknown individual called the CAMPAGNA home and talked to CHARLOTTE CAMPAGNA. She told the caller that she was going to Atlanta tomorrow. The caller inquired as to what had happened to JOHNNY and CHARLOTTE said that she didn't know; that she hasn't heard from anyone.

At approximately 9:45 on the morning of August 25, 1948 CHARLOTTE CAMPAGNA talked to Mr. NEIL ANDREWS, Esq., 22 Marrietta Street, Atlanta, Georgia. CHARLOTTE identified herself as "This is Mrs. CAMPAGNA — one of the boys you're taking care of in Atlanta". Mr. ANDREWS said that he had a note from Mr. STEWART and that he was expecting her in Atlanta this morning. CHARLOTTE said that she would arrive in Atlanta at 1:25 p.m. but wanted to make her visit first before she saw him. Mr. ANDREWS suggested that she see him before making her visit. Mr. ANDREWS said, "Judge UNDERWOOD, the judge before whom I want to bring these proceedings, is out". Mr. ANDREWS said that he would try to meet CHARLOTTE at the airport.

At 9:10 on the morning of August 26, 1948 CHARLOTTE CAMPAGNA called the office of WILLIAM SCOTT STEWART and told Mr. STEWART that she got in last night but had not had a chance to call him. She said, "I met him and he went in. And he wishes to have all the court papers and stuff like that from you so he can read up on them and he wants you to call him Monday morning early and he wants you to go down Tuesday or Wednesday". STEWART said, "I see" and CHARLOTTE told STEWART that LOU has three parole officers. She mentioned one of them as being MARTIN BROWN (phonetic) from Grand Rapids, Mich. and another as Mr. ULRICH (phonetic) from Hammond, Indiana. The other one is Mr. COLOSIMO. STEWART told CHARLOTTE that he thinks he will start on down there as he wants to drive so that he will have his automobile there and that he will get there about Wednesday; that he will mail the stuff to him. STEWART said, "I have a wire here about out west. They've continued that again" and CHARLOTTE replied, "Oh, I see".

3/6/95 SP Eales

ENCLOSURE

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

RF:MJH:co

TO : J. Edgar Hoover
Director, Federal Bureau of Investigation

DATE: August 31, 1948

FROM : Peyton Ford
The Assistant to the Attorney General

SUBJECT: LOUIS CAMPAGNA, with aliases, et al.
BRIBERY: PAROLE MATTERS

Attention: Mr. Rosen

With reference to your memorandum of August 20, 1948, it is requested that the technical surveillances in this case be discontinued.

DESTROY RECORDING

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/95 BY SP5 CA/cw

RECORDED - 66 58-2002-1885

55 SEP 21 1948

F B I

10 SEP 9 1948

United States Department of Justice
Federal Bureau of Investigation
New York 7, New York

IN REPLY, PLEASE REFER TO
FILE No. _____

September 10, 1948

CONFIDENTIAL

Director, FBI

Attention: Assistant Director A. Rosen:

Re: LOUIS CAMPAGNA, was. ET AL
BRIBERY, PAROLE MATTERS

Dear Sir:

Reference is made to Bureau teletype of August 30, 1948 instructing this office to discontinue the technical surveillances in operation in this case, and to New York teletype of August 31, 1948 advising that Confidential Informants NYT-466 and NYT-471 were discontinued at 8:50 AM, on August 31, 1948.

The memoranda incorporating the information received from these sources from August 21, 1948 to August 31, 1948 were submitted on September 1, 1948 in accordance with Bureau instructions.

DEFERRED RECORDING

Inasmuch as no further investigation is outstanding at this time in the New York Office, this case is being considered referred upon completion to Chicago, the office of origin.

Very truly yours,

EDWARD SCHEIDT
Special Agent in Charge

DECLASSIFIED BY 5b5 alaw
ON 3/6/95

cc: Chicago (AMSD)

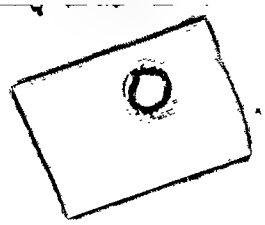
SPECIAL DELIVERY

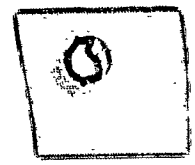
CAD:mbm
58-490

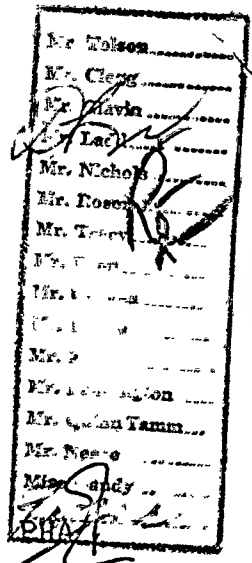
158-2000-1886

ENCLOSURE

10







3/6/95 SPSC/cw

FBI ATLANTA 9-14-48 5-46 PM

DIRECTOR ..... U R G E N T

LOUIS COMPAGNA, WA, ETAL, BRIBERY, PAROLE MATTERS, HABEAS CORPUS PROCEEDINGS. REURTEL TODAY. CONFERENCE HELD WITH USA, ATLANTA, AND NECESSARY ACTION WILL BE TAKEN TO REFUTE ANY AND ALL ALLEGATIONS CONCERNING BUREAU PERSONNEL. PLEADINGS ARE SCHEDULED TO BE FILED TWENTIETH INSTANT. THEREAFTER FEDERAL JUDGE UNDERWOOD WILL EITHER DISMISS THE PETITION OR GRANT IT AND SET A HEARING. AT THE FIRST HEARING IT WILL BE DECIDED WHETHER EVIDENCE WILL BE OBTAINED BY AFFIDAVITS OR INTERROGATORIES. IF THE FORMER IS AGREED UPON, USA, ATLANTA DESIRES AN AFFIDAVIT SUBMITTED BY SAC CHICAGO TO THE EFFECT THAT OUR PERSONNEL DID NOT PARTICIPATE IN THE ARREST AND REMOVAL OF SUBJECTS. THE BUREAU AND CHICAGO OFFICE WILL BE KEPT ADVISED OF DEVELOPMENTS AND CHICAGO WILL BE INFORMED AS TO THE MANNER IN WHICH INFORMATION SHOULD BE SUBMITTED.

FOLTZ

END

6-500PM OK FBI WASH DC NAT

RECORDED - 83

EX-111

F B I

31 SEP 17 1948

62 SEP 21 1948

cc: Mr. Rosen
Mr. Tamm

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 7- 1948

TELEMETER

Mr. Tolson	
Mr. Clegg	
Mr. Glavin	
Mr. Ladd	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Mohr	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	
Miss Gandy	

CONF 2 STATIONS

WASH 8 CGO 1 FROM LOS ANGELES 7 8-23 PM

DIRECTOR AND SAC URGENT

LOUIS CAMPAGNA, WAS., ET AL, BRIBERY, PAROLE MATTERS. REBUTEL AUG. FOUR LAST. US FEDERAL JUDGE LING TODAY GAVE RULING AGAINST THE WRIT OF HABEAS CORPUS FOR J. ROSELLI. ROSELLI'S ATTORNEY, OTTO CHRISTENSEN, FILED NOTICE OF APPEAL AND THE COURT IS TAKING UNDER ADVISEMENT UNTIL TOMORROW AT TEN AM WHETHER ROSELLI WILL REMAIN IN THE CUSTODY OF THE USM AT LA OR WHETHER HE IS TO BE RETURNED ~~FORTHWITH~~ FORTHWITH TO MCNEIL ISLAND PENITENTIARY, PENDING RESULTS OF APPEAL TO THE NINTH ~~CIRCUIT~~ CIRCUIT COURT OF APPEALS HERE. FURTHER DETAILS WILL BE SUBMITTED.

158-2000-1888

F B I

HOOD

ACK PLS

60 SEP 22 1948

INDEXED - 83

RECORDED - 83

31 SEP 17 1948

cc - Mr. Evans

EX-35

3/6/95 SP5 a/cw

BUREAU OF INVESTIGATION
DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 8 1948

TELEMETER

CONF 2 STATIONS WASH 9, CGO 2 FROM LOS ANGELES 8 2-37 PM

DIRECTOR, SAC, URGENT

LOUIS CAMPAGNA, WAS., ETAL, BRIBERY, PAROLE MATTERS. REBUL AUG. FOUR, LAST. ROSELLI'S ATTORNEY, OTTO CHRISTENSEN, TODAY ARGUED THAT SHOULD USM AT LA EXECUTE WARRANT RETURNING ROSELLI TO MCNEIL ISLAND PENITENTIARY, THE USM THEN COULD NOT RETURN ROSELLI TO THE NINTH CIRCUIT COURT DISTRICT FOR HIS APPEAL ON WRIT OF HABEAS CORPUS. AUSA KLINGER POINTED OUT, AFTER US DEPUTY MARSHAL GEORGE ROSSINI APPRISED HIM OF FACT, THAT US MARSHAL AT LA HAS ON MANY OCCASIONS REMOVED PRISONERS FROM US PRISONS FOR APPEALS ON WRITS OF HABEAS CORPUS PROCEEDINGS. HOWEVER, US FEDERAL JUDGE LING, WHO CONCURRED WITH AUSA KLINGER THAT CHRISTENSENS REQUEST THAT ROSELLI REMAIN IN CUSTODY OF USM AT LA WAS UNRECECXXX UNPRECEDENTED, GAVE RULING THAT ROSELLI REMAIN IN LA COUNTY JAIL IN CUSTODY OF USM PENDING APPEAL FOR WRIT OF HABEAS CORPUS TO THE NINTH CIRCUIT COURT OF APPEALS HERE. ROSSINI, WHO CANNOT FULLY EXECUTE INSTRUCTIONS IN WARRANT NOW, VOLUNTEERED AFTER COURT HEARING THAT AUSA SHOULD HAVE PRESENTED FACTS THAT ROSELLI IS AT LIBERTY AT DISCFEXXX DISCRETION OF US PAROLE BOARD, CAN BE RETURNED TO PRISON AT ANY TIME BY THEM, AND THAT ROSELLIS CONFINEMENT NOW IN LA COUNTY JAIL IS QUESTIONABLE WITH NO PROCESS OTHER THAN THAT OF USM WQXXX WARRANT. AUSA KLINGER ADVISED NO US PAROLE BOARD HEARING WILL BE MXXX HAD UNTIL DECISION IS RENDERED BY COURT IN APPEAL FILED. BUREAU WILL BE KEPT ADVISED OF RESULTS ON APPEAL.

HOOD

RECORDED 83 EX-111 SEP 17 1948

Mr. [illegible]
Mr. [illegible]

The Attorney General

September 15, 1948

Director, FBI

LOUIS CAMPAGNA, was., ET AL
[illegible]
[illegible]

There is attached hereto a copy of a letter dated September 8, 1948, to this Bureau from Congressman Fred E. Busbey. In this letter Congressman Busbey requests the assistance of this Bureau in locating Ted Dales of 1111 South Ashland Avenue, Chicago, in order that Dales might be served with a subpoena for his appearance before the Congressional Committee holding hearings relative to the parole of Louis Campagna and others. I have replied to Congressman Busbey's letter advising him that his letter was being referred to you.

At the request of the U. S. Attorney in Chicago, this Bureau interviewed Ted Dales. The results of these interviews are set forth in the reports of Special Agent Robert E. Nightmyer at Chicago, dated June 18 and June 25, 1948, copies of those reports having previously been forwarded to you.

In connection with Congressman Busbey's request, it is noted that in the past requests for investigation in connection with this case have been made by Busbey and other members of the Congressional Committee. These requests have been called to the attention of the Department. It has been the Department's policy to decline to conduct such inquiries. To do otherwise, would it is believed, be highly undesirable and would establish an invidious precedent. Unless advised to the contrary by you, this Bureau will take no action to comply with the request of Congressman Busbey as set forth in his letter of September 8, 1948.

Enclosure

[illegible] 3/6/95 sp5a/aw

SENT FROM D. O
CAD: [illegible]
DATE: 9-16-48
BY [illegible]

SEP 16 10 27 AM
RECEIVED FBI
U.S. DEPARTMENT OF JUSTICE
ROOM

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

RECORDED - 91

INDEXED - 91

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

SC-159

To: COMMUNICATIONS SECTION. SEPTEMBER 13, 1948

Transmit the following message to: SAC'S ATLANTA AND CHICAGO URGENT

LOUIS CAMPAGNA, WITH ALIASES, ETAL, BRIBERY, PAROLE MATTERS. RE ATLANTA LETTER SEPTEMBER EIGHT. SINCE THE BUREAU WAS IN NO WAY INVOLVED IN THE APPREHENSION OF SUBJECTS CAMPAGNA AND GIORDON PAROLE VIOLATOR WARRANTS, THE ATLANTA DIVISION SHOULD CONFER WITH THE UNITED STATES ATTORNEY THERE AND MAKE CERTAIN THE ALLEGATION THAT [redacted] AND OTHERS CONSPIRED TO KIDNAP THE SUBJECTS AND PLACE THEM ON A [redacted] TO DEPRIVE THEM OF AN OPPORTUNITY OF SEEKING RELIEF IN [redacted] COURT [redacted] GO IS FULLY AND COMPLETELY DENIED. SUTEL RESULTS OF [redacted] RENCE WITH UNITED STATES ATTORNEY AND WHAT AFFIDAVITS OR WITNESSES HE DESIRES TO SUPPORT THIS DENIAL. FOLLOW CLOSELY AND SUTEL ALL ACTION TAKEN ON THE WRITS OF HABEAS CORPUS.

HOOVER

58-2000

CAE:IGE

58-2000-1891

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/16/83 BY SP5 alm

RECORDED - 37

F B I

22 SEP 21 1948

RECEIVED-DIRECTOR FBI SEP 20 1948 U.S. DEPT. OF JUSTICE

RECEIVED-TOLSON FBI SEP 14 9 18 AM U.S. DEPT. OF JUSTICE

RECEIVED REAL ING ROOM FBI SEP 14 11 19 AM '48 U.S. DEPT. OF JUSTICE

INITIALED DIRECTOR'S OFFICE

Mr. Adams
Mr. Begg
Mr. Clavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE COMMUNICATIONS SECTION

SEP 14 1948

FEDERAL BUREAU OF INVESTIGATION U. S. DEPARTMENT OF JUSTICE COMMUNICATIONS SECTION

SEP 14 1948

TELEMETER

12-19 PM Per

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 14 1948

TELETYPE

CHICAGO FROM WASH 3 14 12-19 PM

SACS, ATLANTA AND CHICAGO URGENT

LOUIS CAMPAGNA, WITH ALIASES, ETAL, BRIBERY; PAROLE MATTERS. RE ATLANTA LETTER SEPTEMBER EIGHT. SINCE THE BUREAU WAS IN NO WAY INVOLVED IN THE APPREHENSION OF SUBJECTS CAMPAGNA AND GIOE ON PAROLE VIOLATOR WARRANTS, THE ATLANTA DIVISION SHOULD CONFER WITH THE UNITED STATES ATTORNEY THERE AND MAKE CERTAIN THE ALLEGATION THAT FBI AGENTS AND OTHERS CONSPIRED TO KIDNAP THE SUBJECTS AND PLACE THEM ON A TRAIN IN ORDER TO DEPRIVE THEM OF AN OPPORTUNITY OF SEEKING RELIEF IN THE COURTS AT CHICAGO IS FULLY AND COMPLETELY DENIED. SUTEL RESULTS OF CONFERENCE WITH UNITED STATES ATTORNEY AND WHAT AFFIDAVITS OR WITNESSES HE DESIRES TO SUPPORT THIS DENIAL. FOLLOW CLOSELY AND SUTEL ALL ACTION TAKEN ON THE WRITS OF HABEAS CORPUS.

HOOVER

END ACK PLS ATLANTA ADVISED

3/6/95 Sosa/cw

Mr. Ladd
Mr. Rosen
Mr. McCabe
Mr. Evans

The Attorney General

September 13, 1948

Director, FBI

58-2000-1892

LUIS CAMPAGNA, was, et al
BRIBERY
PAROLE MATTERS

RECORDED - 31

The Atlanta Division of this Bureau has forwarded copies of writs of habeas corpus filed in the United States District Court at Atlanta, Georgia, on September 2, 1948, by subjects, Campagna and Gice.

The only allegation in these writs relative to this Bureau is contained on page 18 of the writ filed in behalf of Campagna. This allegation is to the effect that various officials, including representatives of the Parole Board, Deputy Marshals, FBI Agents and others, conspired to kidnap subjects at five or six o'clock in the morning and to put them on a train scheduled to depart for the Atlanta Penitentiary at 7:30 a.m. in order to deprive them of an opportunity of seeking relief in the courts at Chicago.

Since Special Agents of this Bureau took no part in the apprehension of subjects, our Atlanta Division is conferring with the United States Attorney at Atlanta, advising him of this so that this allegation can be fully and completely denied. No other action is being taken by this Bureau although we will, of course, make available any affidavits or witnesses desired by the United States Attorney to substantiate this denial.

It is presumed that the United States Attorney at Atlanta has communicated directly with you relative to these writs of habeas corpus and furnished you with copies thereof. However, if you should not have such copies available, I shall be happy to forward them to you at your request.

58-2000

CAE:ige

SENT FROM D. O.
TIME 12:10 pm
DATE 9-14-48
BY

3/4/95 SP5 a/a

RECEIVED
SEP 14 11 10 AM
U.S. DEPT. OF JUSTICE
FBI

22 SEP 21 1948

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. LADD

DATE: September 13, 1948

FROM : A. Rosen

SUBJECT: LOUIS CAMPAGNA, was, et al
BRIBERY
PAROLE MATTERS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/95 BY SP5A/cas

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

This case involves the granting of parole to subject Campagna and four associates who have been called ex-Capone gangsters from Chicago. An exhaustive investigation was conducted by the Bureau at the specific request of the Attorney General. After the conclusion of the Bureau's investigation, the United States Attorney in Chicago presented the facts of this case to a Grand Jury there. Concurrent with the Bureau's investigation and the Grand Jury hearings, an investigation was also conducted by a committee of the House of Representatives. Subjects, Campagna and Gioe, were arrested by Deputy United States Marshals at Chicago on July 23, 1948, pursuant to parole violator warrants issued by the United States Board of Parole. Campagna immediately filed a writ of habeas corpus in the USDC, Chicago, which was denied. Campagna was thereafter transported to the Atlanta Penitentiary. Subject Gioe had no opportunity to file such a writ in Chicago, being immediately transported to the Atlanta Penitentiary.

These subjects have now filed writs of habeas corpus in the USDC, Atlanta. They alleged principally that there was no basis for the issuance of the parole violator warrants and that they were issued solely because of political pressure occasioned by the Congressional Committee. Only one reference to the Bureau is made in the writs. It is alleged that FBI Agents, together with representatives of the Parole Board, Deputy Marshals, and various other officials, conspired to kidnap subjects and put them on a train for Atlanta in order to deprive subjects of an opportunity of seeking relief in the courts of their home district. The Bureau, of course, had no part in the apprehension of subjects.

ACTION

A suggested teletype is attached, instructing the Atlanta Division to confer with the USA in order that this false allegation may be completely refuted. There is also attached a letter to the Attorney General, advising him of the action being taken since he has a personal interest in this case and has been regularly advised of all action taken by the Bureau.

Enclosures

58-2000

CAE:ige

RECORDED - 37 58-2000-122
22 SEP 21 1948

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 7 1948

TELETYPE

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

FBI ATLANTA 9-7-48 5-09 PM PHA

DIRECTOR .... U R G E N T

LOUIS COMPAGNA, CHARLES GIOE, BRIBERY, PAROLE MATTER, ANTI-RACKETEERING, HABEAS CORPUS PROCEEDINGS. ABOVE SUBJECTS, RECENTLY INCARCERATED USP, ATLANTA, AS PAROLE VIOLATORS, HAVE FILED PETITIONS FOR WRITS OF HABEAS CORPUS IN USDC, ATLANTA. JUDGE E. MARVIN UNDERWOOD HAS ORDERED RESPONDENTS TO SHOW CAUSE TWENTIETH INSTANT WHY PETITIONS SHOULD NOT BE GRANTED. COPIES OF PETITIONS, WHICH ARE VOLUMINOUS, PRESENTLY BEING PREPARED AND WILL BE FURNISHED BUREAU, NYC AND CHICAGO. ONLY STATEMENT REFLECTING UPON FBI IS THAT A CONSPIRACY WAS FORMED BY VARIOUS OFFICIALS, INCLUDING REPRESENTATIVES OF THE PAROLE BOARD, DEPUTY MARSHALS, FBI AGENTS AND ~~OTHERS~~ OTHERS, TO KIDNAP PETITIONER ~~CAXX~~ COMPAGNA FROM HIS ~~HOMEXX~~ HOME IN CHICAGO AT FIVE OR SIX O- CLOCK IN THE MORNING AND TO PUT HIM ON A TRAIN SCHEDULED TO LEAVE FOR ~~THAXX~~ THE ATLANTA PRISON AT SEVEN THIRTY AM IN ORDER THAT COMPAGNA WOULD NOT HAVE AN OPPORTUNITY TO SEEK RELIEF IN THE COURTS OF HIS HOME DISTRICT. IT IS RECALLED THAT COMPAGNA AND GIOE WITH OTHERS WERE ORIGINALLY CONVICTED NYC. THEY WERE ~~PEXX~~ PAROLED AFTER SERVING A THIRD OF THEIR SENTENCE AND LAST MONTH WERE ARRESTED ON WARRANTS ~~SSXX~~ ISSUED BY U. S. PAROLE BOARD AND PLACED IN USP, ATLANTA.

RECORDED - 65 58-2000-1893

31 SEP 17 1948

61 SEP 24 1948

PAGE TWO

INSTANT PETITIONS CLAIM PETITIONERS WERE ORIGINALLY CONVICTED ON PERJURED TESTIMONY IN NYC AND THAT THEY ARE GUILTY OF NO ACTS WHICH WOULD AUTHORIZE PAROLE BOARD TO REVOKE PAROLE. SUBJECTS REPRESENTED BY WILLIAM SCOTT STEWART, CHICAGO, AND M. NEIL ANDREWS, FORMER USA, ATLANTA. PAROLE BOARD SCHEDULED TO MEET USP, ATLANTA EIGHTH INSTANT TO CONSIDER REVOCATION PAROLE OF SUBJECTS. THIS MATTER BEING FOLLOWED CLOSELY AND BUREAU AND INTERESTED OFFICES WILL BE PROMPTLY ADVISED OF DEVELOPMENTS.

FOLTZ

END

PLS A CK WA

618PM OK FBI WASH DC JIM

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

DATE: September 7, 1948

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTER

Mr. Clegg
Mr. Glavin
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

For the information of the Bureau there is attached a clipping from the Chicago Herald-American of September 4th which relates to the captioned matter.

MG
Encl. (1)

1 ENCL

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY Sesa/cw

RECORDED - 98 | 58-2000-1894
FBI

34 SEP 22 1948

52 SEP 24 1948

Campagna, Gioe in Liberty Bid

Louis (Little New York) Campagna and Charles (Cherry, (Nose) Gioe, two Guzik-Ricca-Capone gang leaders who were sent back to Atlanta Federal prison for parole violations July 21, had made a new bid for freedom today.

Petitions for writs of habeas corpus were filed in their behalf in Atlanta U.S. District Court by Attorneys William Scott Stewart of Chicago and Neal Andrews of Atlanta.

Federal Judge E. Marvin Underwood directed the government to file an answer by Sept. 20, the same date set by Federal Judge Igoe here for final hearing on a habeas corpus petition in behalf of Paul (The Waiter) Ricca, another parole gang chief ordered back to prison by the Federal Parole Board.

Igoe's action has kept Ricca out of jail since his arrest in mid-July. Campagna and Gioe were rushed to prison before Stewart could get action on a habeas corpus petition here in their behalf.

Ricca, Campagna, Gioe and Philip D'Andrea, sentenced to 10 years' imprisonment by a New York Federal Court in 1943 on a $1,000,000 movie shakedown charge, were paroled Aug. 13, 1947, after they had served the minimum one-third of their sentences.

As a result of a storm of public protest over the "quickie" paroles, a congressional committee and a special grand jury launched investigations. Before the inquiries were completed, a newly appointed parole board ordered Ricca, Campagna and Gioe back to prison on parole violation charges. No action was taken against D'Andrea, who has been seriously ill.

THE CHICAGO AMERICAN

Sept 4, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 al/aw

58-2000-1894

ENCLOSURE

Mr. Rosen
Mr. McCabe
Mr. Evans

THE ATTORNEY GENERAL

September 20, 1943

Director, FBI

1895

LOUIS CAMPAGNA, was, Etal
EXTORTION; RACIAL MATTERS

RECORDED 38

For your information in connection with this case, I am enclosing herewith photostatic copies of newspaper articles published at Chicago.

Enclosure

58-2000
CAE:EDD

RECEIVED-DIRECTOR
F B I
U.S. DEPT. OF JUSTICE
SEP 20 2 PM '43

5/6/95 sesa(CW)

SEP 20 1 09 PM '43
RECEIVED-TOLSON
F B I
DEPT. OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

SENT F.C.I.D. C.
TIME 4:25 PM
DATE 9-20-43
BY KMK

SEP 20 2 PM '43
RECEIVED-DIRECTOR
F B I
U.S. DEPT. OF JUSTICE

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

Mr. Clegg	
Mr. Glavin	
Mr. Nichols	
Mr. Rosen	
Mr. Tracy	
Mr. Egan	
Mr. Gurnea	
Mr. Harbo	
Mr. Mohr	
Mr. Pennington	
Mr. Quinn Tamm	
Mr. Nease	
Miss Holly	

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

DATE: September 2, 1948

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

For the information of the Bureau there is enclosed a clipping from the Chicago Herald-American of August 30th, which relates to the captioned matter.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/75 BY SP5 a/cw

MG
Enc. (1)

1 L ENCL

RECORDED - 98

58-3000-1895

34 SEP 22 1948

End sent to AG
9-20-48 CAE

2 Mobsters Face 6½-Yrs. More

Because Paul Ricca and Louis Campagna refused to disclose who financed federal paroles given them and two other Guzik-Ricca-Capone hoodlums, they may have to serve six and a half more years in prison, Rep. Hoffman (R) of Michigan said today.

Hoffman, chairman of a congressional committee investigating the paroles, said he was told by Fred S. Rogers, a parole board member, that the board considered the parolees guilty of dishonorable conduct in their testimony before the committee.

For that reason, Hoffman added, he believes they will have to serve the additional six and a half years.

THE CHICAGO AMERICAN
8-30-48

[illegible] 8-31-48 Sp. Ca (AM)

[illegible]

ENCLOSURE

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

DATE: August 31, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 alw

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Nichols
Mr. Rosen
Mr. Tamm
Mr. Carnes
Mr. Hendon
Mr. Ladd
Mr. Penning'on
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

There is transmitted herewith for the information of the Bureau a clipping from the August 30, 1948, issue of the Chicago Tribune, which relates to the captioned matter.

MG
Encl. (1)

RECORDED - 119

58-2000-1894

INDEXED - 119

33 SEP. 1948

EX-60

EX-60

The Attorney General

September 9, 1943

Director, FBI

LOUIS CAPTAGNA, with aliases, et al
EXTORTION; RACKETEERING

RECORDED - 14

EX-60

For your further information in this matter I am enclosing herewith a photostatic copy of a newspaper article published in the Chicago Tribune for August 30, 1943.

Enclosure

58-2000
CAE:LS

G.I.R. 6

SEP 9 2 30 PM '43
RECEIVED-TOLSON
FBI
DEPT OF JUSTICE

3/6/95 SPSC/pw

SEP 9 5 29 PM '43
RECEIVED RM. 16 ROOM
FBI
U.S. DEPT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

HOODLUMS FACE 6½ EXTRA YEARS FOR 'DISHONOR'

Hiding Facts on Payoff May Be Costly

BY JAMES DOHERTY

Refusal by Paul Ricca and Louis Campagna to reveal financial secrets of the federal paroles given them and two other Capone gangsters may cost them an additional 6½ years in prison, Rep. Hoffman (R., Mich.) declared yesterday. Campagna is back in prison awaiting a hearing by the parole board to determine whether he is a violator, and Ricca is scheduled to have a court hearing on Sept. 21.

Hoffman said the board considers the gangster-parolees guilty of "dishonorable conduct" because of their concealment of the truth about money paid out in their behalf. Therefore, he explained, he believes they will have to serve the extra 6½ years.

Mystery Men Hunted

This raised the question "Who are they shielding?" Rep. Busbey (R., Ill.), Chicago member of the congressional committee investigating paroles, said he joined with Hoffman, who is chairman of the committee, in seeking the answer.

The congressmen said that if Ricca, who is regarded as head of a Mafia organization, and Campagna, Cicero gambling boss and treasurer of the crime syndicate, had told the committee the source of the $128,000 with which their income tax cases were settled, and about cash payments to lawyers and others in connection with the paroles, the warrants for their arrest as parole violators probably would not have been issued.

As the congressional committee members viewed the matter, the gangsters were able and willing to pay a king's ransom for their paroles. It is known that the surviving leaders of the Capone-Ricca-Guzik syndicate have many millions of dollars, and both Ricca and Campagna admitted having fortunes as well as farms, town homes and summer resort estates.

Committee Denied Full Facts

Hoffman and Busbey pointed out that Campagna and Ricca have refused to give names, amounts, methods or other facts concerning their release within a few weeks after they had served the minimum of their 10 year sentences—the minimum being one-third of the term.

"Parole Board Member Fred S. Rogers told me the board considered the parolees guilty of dishonorable conduct in their testimony before the committee," Hoffman said. "In that, at least, Rogers agrees with us. We held that the paroles should never have been granted. Certainly the parolees did their best to keep us from learning who paid whom and where the money came from."

Busbey added that Atty. Gen. Clark, who appointed the parole board members, had also drawn an iron curtain around other data concerning the release of the gangsters. Clark, who has charge of the federal bureau of investigation and has been directing the activities of the federal grand jury parole investigation in Chicago, is supposed to have failed to learn the identity of "Mike Ryan" who made one $15,000 pay-off for the gangsters," Busbey stated.

$128,000 Payment A Secret

Ricca and Campagna told the congressmen they didn't know who paid the $128,000 for their pre-parole tax settlement and Ricca said he didn't know who hired Maury Hughes, lawyer pal of Clark, to obtain the dismissal of an indictment that would have blocked the paroles.

If the two, and their fellow gangster, Charles Gioe, are now declared to be parole violators, they will be compelled to serve the balance of their sentences, it was explained, and they will not be given any credit for the time they were out on parole. It was considered doubtful, to say the least, that they would receive another parole under an expected Republican national administration.

CHICAGO DAILY TRIBUNE
8-30-48

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5A/cs

58-900-1276

ENCLOSURE

Federal Bureau of Inv

United States Department of Justice
P.O. Box 1850
Atlanta, Georgia
September 8, 1948

AIR MAIL SPECIAL DELIVERY

24462

Director, FBI

RE: LOUIS COMPAGNA; CHARLES GIOE;
BRIBERY; PAROLE MATTERS;
ANTI-RACKETEERING;
HABEAS CORPUS PROCEEDINGS

Dear Sir:

Remytel September 7, 1948.

There are being enclosed to the Bureau, New York, and Chicago offices photostatic copies of petitions for Writs of Habeas Corpus filed by COMPAGNA and GIOE.

The attention of the Chicago office is directed to page #18 of COMPAGNA'S petition, wherein it is alleged that he was kidnapped from his home by various officials, including representatives of the Parole Board, Deputy Marshals, and FBI Agents, and put on a train for the U. S. Penitentiary, Atlanta.

The U. S. Attorney at Atlanta must file responses to instant petitions in U. S. District Court, Atlanta, Georgia, by September 20, 1948, and as yet no definite decision has been made as to what, if any, information in the form of affidavits or otherwise will be needed. However, it is requested that the Chicago office advise this office as to whether Bureau personnel participated in any way in the arrest of COMPAGNA and GIOE on the parole warrants as a result of which they were returned to the U. S. Penitentiary, Atlanta, during August, 1948, as parole violators.

Very truly yours,

EDWIN J. FOLTZ
SAC

WLS:mi
58-62

Encls (2)
cc: New York (Encls 2)
Chicago (Encls 2)

RECORDED - 61

158-2000-1897

34 SEP 20 1948

3/6/95

U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 14 1948

24463

TELEMETER

WASH 1 FROM CHICAGO 14 10-50AM PL

DIRECTOR AND SAC, ATLANTA.....URGENT

ATTN ASSISTANT DIRECTOR A. ROSEN

3/6/95 SE50/Ab

LOUIS CAMPAGNA WAS, ETAL. BRIBERY, PAROLE MATTERS. RE ATLANTA LETTER TO BUREAU SEPTEMBER EIGHT LAST ENCLOSING PHOTOSTATIC COPIES OF PETITIONS FOR WRITS OF HABEAS CORPUS FILED BY CAMPAGNA AND GIOE WHEREIN THE ATLANTA OFFICE REQUESTED CHICAGO TO ADVISE THEM AS TO WHETHER BUREAU PERSONNEL PARTICIPATED IN ANY WAY IN THE ARREST OF CAMPAGNA AND GIOE ON PAROLE WARRANTS AS A RESULTS OF WHICH THEY WERE RETURNED TO USP, ATLANTA, DURING AUGUST AS PAROLE VIOLATORS. UNLESS ADVISED TO THE CONTRARY BY THE BUREAU THIS OFFICE WILL NOT FURNISH ANY INFORMATION RE THIS CASE TO ATLANTA AS ALL DECISIONS CONCERNING THE FURNISHING OF INFORMATION RE THIS CASE ARE BEING LEFT TO THE DISCRETION OF THE BUREAU. IT IS SUGGESTED THAT ATLANTA OFFICE IMMEDIATELY BRING TO ATTENTION OF THE BUREAU ANY REQUESTS FOR INFORMATION CONCERNING THIS MATTER AND IT IS FURTHER SUGGESTED THAT ANY CONTEMPLATED ACTION IN THIS MATTER BY THE ATLANTA OFFICE BE FIRST CLEARED THROUGH THE BUREAU. FOR THE INFORMATION OF ATLANTA, ALL COMMUNICATIONS CONCERNING THIS MATTER SHOULD BE FURNISHED TO THE BUREAU ATTN ASSISTANT DIRECTOR A. ROSEN, WITH COPIES TO CHICAGO, OFFICE OF ORIGIN.

cc: Mr. Rosen

RECORDED
58-1898
FX-98
32 SEP 20

MC SWAIN

ATLANTA TO BE ADVISED

ENE ACK PLS

FEDERAL BUREAU OF INVESTIGATION
UNITED STATES DEPARTMENT OF JUSTICE

URGENT

To: COMMUNICATIONS SECTION.

Transmit the following message to: September 22, 1948

SAC, ATLANTA

LOUIS CALPACHIA WITH ALIASES, ET AL, BRIBERY, PAROLE MATTERS. SUTEL ACTION TAKEN WRITS OF HABEAS CORPUS IN THIS MATTER SCHEDULED FOR HEARING USDC ATLANTA, SEPTEMBER TWENTY.

HOOVER

58-2000

CAK:NHL

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED EXCEPT WHERE SHOWN OTHERWISE DATE 3/6/95 BY SP5 alw

RECORDED - 76

EX-28

22 SEP 1948

58-2000-1899

RECEIVED FBI SEP 22 2 08 PM '48 FBI DEPT OF JUSTICE

Mr. Tolson
Mr. L. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

SEP 1

SENT VIA 50 OCT 1 1948 2:45 PM Per

U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 22 1948

TELETYPE

FBI WASH DC 9-22-48 243PM LS

SAC ATLANTA U R G E N T

LOUIS CAMPAGNA WITH ALIASES, ET AL, BRIBERY, PAROLE MATTERS. SUTEL ACTION TAKEN WRITS OF HABEAS CORPUS IN THIS MATTER SCHEDULED FOR HEARING USDC ATLANTA, SEPTEMBER TWENTY.HØ

HOOVER

END

BH FBI AT

OK FBI AT PHA

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 cal/cs

Mr. Ladd
Mr. [illegible]
Mr. [illegible]
Mr. [illegible]

DED - 62

The Attorney General

September 21, 19[illegible]

Director, FBI

-1900

LOUIS CALTAGIRA, was, ET AL
[illegible]; EARLE LATTEER

Reference is made to my letter of September 15, 1943, forwarding a copy of the letter received from Congressman Fred E. Busbey, relative to this case.

For your further information, I am enclosing herewith a photostatic copy of a newspaper article published in the Chicago Daily Tribune for September 9, 1943, which discusses Congressman Busbey's request made to this Bureau. Also enclosed are photostatic copies of other newspaper publicity afforded this case in the Chicago Daily Tribune and the Chicago American for September 7 and 8, 1943.

Enclosures

62-2000

GMK:fgo

3/6/95 SPSC(aw)

RECEIVED-DIRECTOR
FBI
U.S. DEPT. OF JUSTICE
SEP 22 11 56 AM '43

SEP 22 10 29 AM '43
RECEIVED-INVESTIGATION
FBI
U.S. DEPT. OF JUSTICE

SEP 22 11 27 AM '43
RECEIVED-ROOM
U.S. DEPT. OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Trac[illegible]
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Kuhn

ASK FBI HEAD TO FIND BAKES IN RICCA PROBE

House Unit Assails Subpena Neglect

BY JAMES DOHERTY

J. Edgar Hoover, director of the federal bureau of investigation, was asked yesterday to find Ned Bakes, political aid to Peter Fosco, Democratic committeeman of the 1st ward and prominent labor leader.

Bakes is wanted as a witness in the congressional investigation of federal paroles of Paul Ricca, Louis Campagna, Charles Gioe and Phil D'Andrea. Rep. Busbey, (R., Ill.) told Hoover the United States marshal's office has been unable to serve a subpena on Bakes.

Doubtful Of FBI Help

Busbey said he has confidence in Hoover, altho the FBI itself has been of no assistance to the congressional committee in its search for the pay-off man back of the paroles. If Hoover is not restrained by Atty. Gen. Tom C. Clark he can be trusted to locate Bakes, the congressman said.

Rep. Hoffman (R., Mich.), the committee chairman, and Busbey said they were disgusted by the failure of the FBI to find the man whose name was given to congress as Mike Ryan. Ryan, according to testimony, paid $15,000 to Maury Hughes, Texas lawyer and pal of Clark, for legal service to the Chicago gangsters in connection with the paroles. Neither the FBI nor the federal grand jury in Chicago ever established the truth of the story of Mike Ryan, Busbey said.

Identity Still An Issue

United States Atty. Otto Kerner Jr. was said to have despaired of ever establishing the identity of the man described by Hughes as an Italian from Chicago who was in the trucking business, owned some horses, and who used the obviously fake name of Mike Ryan.

"We have been told that a man named Ned Bakes has several gambling houses on the west side, that he has an interest in a restaurant on Halsted st. and a poolroom near-by, as well as an interest in a trucking company that has a milk hauling contract," Busbey said. "But Kerner tells us there are three men of the same name. The one we want was formerly a deputy sheriff and is well acquainted with the Texas lawyer, Hughes."

CHICAGO DAILY TRIBUNE

Sept 9, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 8/16/93 BY SP5 alm

ENCLOSURE

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. LADD

DATE: September 21, 1948

FROM : R. A. Rosen

SUBJECT: LOUIS CAMPAGNA, was, ET AL
BRIBERY; PAROLE MATTERS

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/95 BY SP5 a/aw

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

The attached newspaper clippings which were forwarded by the Chicago Division indicate that Congressman Fred E. Busbey, (Republican-Illinois), advised reporter, James Doherty of the Chicago Tribune, relative to the contents of Busbey's letter to the Bureau at the same time the letter was mailed. It is recalled that Busbey addressed a letter to the Bureau dated September 8, 1948, requesting our assistance in locating Ned Bakes of Chicago in order that Bakes might be served with a subpoena for his appearance before the congressional committee holding hearings relative to the parole of Campagna and his associates. Busbey's letter was referred to the Attorney General and the Congressman so advised.

In a newspaper article, a copy of which is attached, published in the Chicago Tribune on September 9, 1948, the fact that the Bureau was asked to locate Bakes was set forth. Congressman Busbey is reported to have said that, "He has confidence in Hoover, although the FBI itself has been of no assistance to the congressional committee in its search for the pay-off man back of the paroles. If Hoover is not restrained by Attorney General Tom C. Clark, he can be trusted to locate Bakes." Bakes was located and interviewed by the Chicago Division in connection with this investigation. He denied knowing anything about "Mike Ryan" and claimed never to have used this name himself.

Congressman Clare E. Hoffman, (Republican - Michigan), and Busbey are reported to have said that, "They were disgusted by the failure of the FBI to find the man whose name was given to Congress as Mike Ryan." It is known that Busbey is under the impression that Ned Bakes may be identical with the mysterious "Mike Ryan" who allegedly paid Dallas attorney Maury Hughes a $15,000 legal fee for his services in connection with this case. The only information ever developed concerning "Mike Ryan" was that furnished by Hughes that his legal fee was paid by an individual using that name and whose real identity was unknown to Hughes. All the individuals alleged by Busbey to have information relative to the identity of "Mike Ryan" have been interviewed but all denied having any such information.

ACTION

RECORDED - 61
INDEXED - 64

58-2000-1900
F B I

21 SEP 28 1948

Inasmuch as the Bureau has regularly advised the Attorney General concerning newspaper publicity afforded this case at Chicago and since Busbey's request for assistance was referred to the Attorney General, there is attached a letter transmitting copies of the newspaper article referred to the Attorney General. Also transmitted are copies of other current newspaper articles dealing with the syndicate control of gambling in Chicago and the fight between the Continental Press and the Trans-America Press over the distribution of results from

cc - Mr. Nichols

Memo for Mr. Ladd

the various horse race tracks. In this latter article, the murder of James M. Hagen, former head of the Continental Press, is attributed the Chicago criminal syndicate.

Inasmuch as Assistant Director Nichols has been in contact with Congressman Busbey and Hoffman from time to time concerning this case, this memorandum should be brought to his attention for his consideration in any future contacts with these Congressmen.

Attachment

58-2000

CAE:ige:od

Gang Aid Loses Parole Battle

Johnny Rosselli, 41, West Coast "glamour boy" representative of the Guzik-Ricca-Capone mob and ex-husband of Screen Actress June Lang, must go back to prison to serve more of his 10-year sentence for his part in a $1,000,000 movie extortion plot.

Rosselli was released from the federal prison at Atlanta, Ga., after a third of his term.

He surrendered to the federal marshal at Los Angeles a month ago after the Federal Parole Board at Washington had revoked his parole for allegedly mingling with "unsavory characters."

Seeking to remain free, he applied for a writ of habeas corpus.

Federal District Judge Dave Ling of Los Angeles now has denied Rosselli's petition for the writ.

NO JURISDICTION

The judge held late yesterday that procedure in parole violation cases had been established by Congress and a Federal District Court lacks jurisdiction to interfere with an order of the Federal Parole Board.

Judge Ling granted a stay of judgment, pending further arguments today after Rosselli's attorneys said they would appeal.

Judge Ling's ruling came as the congressional committee investigating paroles of Guzik-Ricca-Capone hoodlums obtained naturalization records of Paul (The Waiter) Ricca, titular head of the mob.

The records were obtained

(Continued on Page 2.)

Guzik Aid Loses Parole Fight

(Continued from Page 1.)

apparently in a move to lay the groundwork to deport Ricca if his parole is not revoked.

HEARING SEPT. 20

Ricca's petition for a writ of habeas corpus in an effort to escape going back to prison is scheduled to be heard by Federal Judge Igoe here Sept. 20.

Since Judges Ling and Igoe have equal jurisdiction, Ling's ruling in the Rosselli case may have some effect on the decision of Ricca's petition, observers said.

Similar habeas corpus petitions have been filed in Federal District Court in Atlanta in behalf of Louis (Little New York) Campagna and Charles (Cherry Nose) Gioe, other paroled members of the extortion ring ordered returned to prison by the Federal Parole Board.

Ricca's naturalization records show he entered this country Aug. 10, 1920, and was admitted to citizenship Sept. 27, 1928.

THE CHICAGO AMERICAN

Sept 8, 1948

3/6/95 Ses-a/cw

Capone Mob Now Turning to Diplomacy

BY JAMES DOHERTY

Syndicate gambling is now trying to use diplomacy instead of guns to promote its interests, according to information reaching the congressional committee investigating the Ricca-Campagna-Glue-D'Andrea federal paroles.

The committee learned that John F. Scanlan, longtime assistant to Benjamin F. Lindheimer, race track owner, has taken an executive position with Continental Press, the organization which supplies race news to gambling houses. Scanlan is 44 years old and lives in Homewood.

The committee has learned much about the murder of James M. Ragen, former head of Continental Press who shortly before he was ambushed warned prosecutors, police, and newspapers that the Capone-Ricca-Guzik syndicate was about to kill him to get control of his business. He was shot at State st. and Pershing rd. on June 24, 1946. The smart money crowd said the deed was incidental to the parole plans of the Capone gang bosses then in Leavenworth federal penitentiary.

Control Of Books

If they could take over the Ragen "service," without which no horse race book in the country could operate, they could rule off who runs the books. That was their objective. The immediate benefit of such an achievement would be sufficient cash with which to buy freedom from prison for Paul Ricca and his fellow convicts, Louis Campagna, Charles Gioe, and Phil D'Andrea.

The fact that the truck from which Ragen was shot to death had been stolen from Berrien Springs, Mich., where Campagna owns a farm, was considered by police as indicating that some of Campagna's helpers were involved in the slaying. Rep. Clare E. Hoffman (R., Mich.), representing the district which includes Berrien Springs, was put in charge of the congressional inquiry into why the gangsters were paroled, and who paid whom.

The congressional committee was told of the theory that Ricca, top gang boss, and Campagna, gang treasurer, had ordered the Ragen shooting while in prison. Tony Accardo, interim gang boss who visited them secretly, and who was accused of having arranged the vote delivery deal said to have been a part of the parole arrangement, is believed to have transmitted their shooting orders.

"No More Shooting"

Scanlan's new connection with the race news company was explained to Rep. Fred E. Busbey (R., Ill.), a member of the investigating committee, to be in the interest of "no more shooting." Scanlan said that's what he hopes to achieve.

"Mr. McBride wants to see everybody get a square deal and no bad publicity for the business," Scanlan said, referring to Arthur (Mickey) McBride, Cleveland taxicab and football magnate.

(Continued on Page 7, Col. 2)

CHICAGO DAILY TRIBUNE

Sept 7, 1948

3

ENCLOSURE

GAMBLING MOB NOW TRYING TACT INSTEAD OF GUNS

Congressional Probers Told of New Move

(Continued from Page 1)

who was one of Ragen's partners in Continental Press.

In addition to its embarrassment after the Ragen murder, the race news industry has had race track trouble lately, according to reports to Busbey.

It was becoming extremely difficult for the Ragen heirs and the McBride interests to get race results out in time to notify their clients on which horses to pay off. State racing commissions made rules which kept Continental Press from putting the names of the winners over telephone or telegraf wires; and police kept Continental agents from "stealing" the news by telescope from vantage points near race tracks.

The congressional committee was told that the Capone gang, of which Paul Ricca, who is still on parole, had become boss, had set up a rival race news service, known as Trans-America Press, and that it fought the Ragen company in a dozen big cities. After Ragen was slain, it was revealed, the Capone-Ricca boys closed Trans-America and expected to move into the Continental quarters.

Parole Troubles Interfere

The parole troubles of Ricca and those convicted with him of a million dollar extortion scheme interfered with taking over the monopoly of race news dissemination, a monopoly necessary to the plans of the national gambling and crime syndicate, according to the story.

The Ragen heirs and the McBride interests, naturally, wanted to retain their interest in the business, which in pre-war days had netted up to 5 million dollars a year. The Ricca gang was its principal customer, it was explained, and consequently other murders were anticipated unless one side or the other "won the peace." There were little Yalta and Tehran conferences, after which Scanlan began to function.

In his younger days, Scanlan was associated with the protection of Jack Lynch, who preceded Ragen as head of the race news business.

A Figure In Politics

Scanlan had been somewhat active in politics and soon was in the service of Lindheimer, racing maharajah who had risen from a modest start in Chicago politics to co-star in the sporting world with Louis B. Mayer, movie magnate, whose firm had made unwilling contributions to the Ricca gang.

In addition to his race track interests, Mayer owned one of the best racing stables in the country and, with Lindheimer, became interested in football.

Scanlan's background with Continental Press, his experiences in rough and tumble politics in Chicago, and his tie-in with Lindheimer were said to have led to his selection as the one to bring about an armistice in an industry in which there was said to be too much at stake to tolerate miscellaneous murders.

Back To Old Firm

Pat Burns, a specialist in getting race news by any means, who quit the Ragen-McBride company to set up a similar service for Trans-America, has gone back to Continental to aid Scanlan in preventing future difficulties with race track owners and such, according to the report to Washington.

Scanlan's experience in the Lindheimer organization was believed sufficient to smooth over any difficulties with state commissions, racing or utility.

So, it was remarked here yesterday, the Ricca gang, credited with killing Ragen to get his business, is doing all right. There is tranquility in the race news business and no shootings are anticipated in the immediate future over "wire service."

CHICAGO DAILY TRIBUNE: Page 7** Tues., Sept. 18

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was, etal
BRIBERY; PAROLE MATTERS

DATE: September 14, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 a/cw

Mr. Egan
Mr. Carnea
Mr. Harbo
Mr. Mohr
Mr. Pen...
Mr. C...Tamm
Mr. Neare...dy...

For the information of the Bureau there are transmitted herewith clippings from the Chicago Tribune of September 7 and 9, 1948, and a clipping from the Chicago Herald-American of September 8th, which relate to the captioned matter.

DEFENDER PROCEEDING

MG
Encs. (3)

3 ENCL

See memo Rosen to Ladd dated Sept. 21 - 1948

RECORDED - 64

156-2000-1901

F B I

31 SEP 28 1948

Memo to Mr. Ladd from A. Rosen 9-21-48 CAE

Memo The Attorney General 9-21-48 CAE

5 OCT 5 1948

RECORDED - 126

The Attorney General

September 27, 1943

Director, FBI

1902

[redacted], with aliases, IT AL
ESPIONAGE; FOREIGN MATTERS

For your further information in this matter I am enclosing herewith photostatic copies of newspaper articles in Chicago newspapers of September 12, 13 and 16, 1943.

Enclosure

53-2000

CCN:OD

8/16/95 SPSC/CW

SEARCHED
TIME 10 LOCAL
DATE 9-28-43
BY

SEP 28 2 50 PM
RECEIVED-DIRECTOR
F B I
FBI
U.S. DEPT. OF JUSTICE

RECEIVED
SEP 27 7 29 PM
FBI

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: September 17, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

encl 1

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 alter

Mr. Tolson
Mr. Ca...

For the information of the Bureau there are transmitted herewith clippings from the Chicago Tribune of September 12th, the Chicago Tribune, the Chicago Sun-Times and the Chicago Daily News of September 13th, and the Chicago Tribune and Chicago Sun-Times of September 16th, which relate to the captioned matter.

DEPARTMENT RECEIVED
DESK

MG
Encs. (6)
6 ENCL 12

memo to Att. Gen. 9-27-48 cm

INDEXED - 126

RECORDED - 126

58-2000-111
F B I

34 SEP 29 19...

51 OCT 4 19...

CHICAGO SUNDAY TRIBUNE: Part 1, Page 26 Sept. 12, 1948

SLOT MACHINE 'TAKE' OF NITTI TOLD PROBERS

Data Made Available to Sheriff Walsh

BY JAMES DOHERTY

Slot machine profits of Frank (The Enforcer) Nitti, former boss of the Capone gang, were disclosed yesterday to the congressional committee investigating the federal paroles of Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea. They were convicted of sharing with Nitti in $1,800,000 extorted from motion picture companies thru their control of a labor union. Nitti's take home pay from Cook county slot machines in four early New Deal years was shown by his own income tax returns to have been $159,786.

In view of present operations of slot machines in Chicago's suburban areas, the information was made available to Sheriff Elmer Michael Walsh. Nitti, who committed suicide March 19, 1943, claimed to have quit the slot machine racket in 1939. He sold his interest to Eddie Vogel, who has continued to grow richer, it was shown.

More Taxes Sought

The records became available to the committee headed by Rep. Hoffman (R., Mich.), of which Rep. Busbey (R., Ill.) is a member, because of the government's efforts to collect additional taxes from Nitti's estate. The Hoffman committee wants to know who paid and who received the "colossal costs" of the paroles given the men who were indicted with Nitti and who served only 3½ years of their 10 year sentences.

After Nitti's death, which was on the day he and the others were indicted in New York City, Ricca moved onto the underworld throne Nitti had taken over from Al Capone. But he soon went to prison and then, last year, Ricca became one of the "notorious parolees" whose freedom led to congressional clashes with President Truman and Atty. Gen. Thomas C. Clark.

Nitti, it was shown, had served a short prison sentence for cheating the government out of $158,823 in taxes on income of $742,887 he had failed to report for the years 1925, 1926, and 1927. He came out of prison in 1931, soon after Capone went in to serve a 10 year sentence for income tax fraud, and Nitti was the new gang boss.

Income Is Cited

Nitti acknowledged slot machine income in Cook county of $34,302 for 1936; $48,256 for 1937; $54,368 for 1938, and $22,860 for 1939, Congressman Busbey was informed.

Each year, according to the returns, Nitti was a partner of Ed Vogel in the "vending machine business." He had other sources of income, including dog track racing company stock, his returns showed.

It was understood that Vogel's share of the one arm bandit profits in those years was the same as Nitti's. Vogel, according to official information, was the active manager of that phase of the syndicate's lucrative enterprises, and still is.

All that Nitti was said to have supplied to the "venture" was his political power—ability to keep the law from interfering too much with the illegal "boxes." As one of Nitti's associates, Francis Maritote, explained to the government regarding the 1st ward handbook from which he drew one-third of the profits, he had the "privilege" of operating in that ward. It also was explained that Nitti had sold "slot machine privileges" while he lived.

Feared Tax Agents

Nitti, according to his accountants, feared being caught a second time as an income tax cheat, and made it a point to give a specific account of his receipts. But, the congressmen noted, Nitti was not so specific in 1935. In that year, his return showed, he acknowledged $59,500 under "miscellaneous receipts."

The basis of the government's suit against the Nitti estate is said to be the money alleged to have been turned over to him from the huge shakedown of the motion picture industry. He was given the money, it was said because of his power to give commands to George Browne, president of the International Alliance of Theater and Stage Employes, and Willie Bioff, union representative.

The government was able to "force" Ricca to pay $39,000 in settlement of its claims for a share of his extortion funds, and $89,000 from Campagna, prior to the granting of their paroles.

The congressional committee, however, demanded that the paroles be declared void, and warrants were issued to put them back in prison. Campagna and Gioe were taken back and Ricca awaits a court hearing on whether he must serve 6½ more years.

The government was able to find only $100,000 of Nitti's fortune on which to levy, and a lien has been filed against the estate. In all, the government is asking that his heirs pay approximately $300,000.

CHICAGO DAILY TRIBUNE

Sept 12, 1948

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/6/95 BY SP5CA/cw

FBI/DOJ

58-3500-1982

NITTI MILLIONS GONE; WIDOW, SON ARE BROKE

Dead Gangster's Taxes Are Still Unpaid

BY JAMES DOHERTY

Altho Frank (The Enforcer) Nitti, as head of the Capone gang for nearly a decade, is reputed to have handled millions of dollars, government agents have found only $100,000 in the Nitti estate to satisfy a lien of $427,000 on unpaid income taxes, leaving his widow and adopted son virtually penniless.

The tangled financial affairs of the Nitti family were disclosed by Charles Oliphant, chief council for the bureau of internal revenue, to Rep. Hoffman (R., Mich.) and Rep. Busbey (R., Ill.), members of the congressional committee investigating the parole of four Capone gang pals of Nitti.

Nitti Served Prison Term

Nitti pleaded guilty in 1931 to an indictment charging he had failed to pay any tax on income shown to have been $742,881 for the years 1925-'26-'27 on which he should have paid taxes of $158,823. Nitti went to prison and remained there until 1932 when he was released.

Al Capone had been sent to prison the year before. The 1932 election ended prohibition and when Nitti took charge of the gang he began a search for new rackets, turning to labor unions where his muscle men took over a number of organizations and boosted the gang income back to sizable figures.

In 1935, Nitti took an inventory and found he was pouring out his own money into a sieve. While Nitti received a large share of the profits of labor racketeering, syndicate gambling in Cook county, slot machines, and other activities, his wife Anna, daughter of a well known Chicago physician, Dr. Gaetano Ronga, was spending it almost as fast on dice, cards, roulette, and horse racing.

Persuaded To Adopt Child

Nitti had a home in Hot Springs, Ark., where he entertained top ranking Sicilian gangsters from all over the country. The expenses of his position, together with the gambling losses of his wife, were so heavy that Nitti was about to divorce his wife to save some of his income when friends pursuaded him to adopt a baby in an effort to begin a "home life."

Mrs. Nitti died and in 1942, he married Annette Caravetta, who had been secretary to his business partner, Edward J. O'Hare, president of Sportsman's Park race track. O'Hare was slain in 1939.

In March, 1943, Nitti, Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea were indicted in New York on a charge of extorting $1,800,000 from Hollywood movie officials.

Probe Sudden Paroles

Less than an hour before Nitti was scheduled to surrender on the indictment, he shot himself. The other four Capone gang leaders were convicted and sent to prison. It is their sudden and mysterious paroles as soon as they had served the minimum one-third of their time the congressmen are investigating.

Louis Greenberg, hotel owner and head of the Canadian Ace Brewing company, told government investigators he was holding $100,000 which Nitti entrusted to him for investment. This was turned over to the Probate court while investigators searched for additional Nitti assets. Greenberg, as a witness before the committee, had denied being the pay-off man in the paroling of Nitti's fellow gangsters.

Oliphant told the committee that Nitti had reported total income for the years 1935 to 1940 inclusive of $483,993, paying income tax on that amount. But the government contends his income for that period was at least $1,034,558 and filed the $427,000 lien against his estate.

Record Of Disputed Income

The record of the disputed years is:

Year	Declared Income	Amount Claimed by Government
1935	$ 87,079	$132,204
1936	$ 82,756	$176,656
1937	$103,469	$235,283
1938	$107,112	$203,054
1939	$ 63,674	$211,547
1940	$ 39,903	$ 75,814

Mrs. Nitti, the guardian of The Enforcer's adopted son, Joseph, now 15 years old, told government agents she is penniless. She was forced to take Joseph out of a military school and put him in a public school, she said. If Nitti left any funds other than the money held in trust by Greenberg, she insisted, she knew nothing of it.

CHICAGO DAILY TRIBUNE
Sept 12, 1946

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5CA/aw

5 ENCLOSURE 58-3000-12

Nitti's gang wealth gone, widow says

Mrs. Annette C, Nitto, widow of the once fabulously wealthy Frank (The Enforcer) Nitti, Capone gang first lieutenant, says she is penniless.

The widow, who lives in a luxurious home at 712 Shelbourne, Riverside, said there was no way for the Nitti estate to satisfy a government lien of $427,000 on unpaid income taxes.

"I have hardly a cent in the world," she declared. "The government has a lien on my home and I won't have that long.

"I intend to find a job in the near future. I worked before I met Frank and I can work again."

Government agents reportedly found only $100,000 in the Nitti estate to satisfy the lien. Mrs. Nitto (who prefers the Italian spelling of her surname) denies the existence of that much money.

The empty Nitti coffers were disclosed by the Bureau of Internal Revenue to a Congressional committee investigating the parole of four Capone associates.

Nitti is reputed to have handled millions of dollars from gambling, racketeering and slot machines. He killed himself in 1943 after he was indicted on a charge of extorting $1,800,000 from Hollywood film officials.

CHICAGO DAILY SUN—TIMES

Sept 12, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 5/16/95 BY SP1 CAG

4 ENCLOSURE 58-1000-1102

Gambler's Wife Dead; Blame Pills

Mrs. Edith Corngold, 53, wife of Joe Corngold, reputed boss of Cicero gambling, died in Berwyn Hospital early Monday, apparently from an overdose of sleeping tablets.

Cicero police who removed her from her home, at 1828 S. 59th ct., Cicero, said they could not determine how she had taken the pills.

Someone in the Corngold family called for police help shortly after midnight Sunday, police said. Mrs. Corngold was taken to the hospital unconscious and died soon after arrival.

CHICAGO DAILY NEWS
Mon., Sept. 13, 1948 7

Her husband was a witness during the recent grand jury investigation of the paroles of four top Capone mobsters. He has been named often as the operator of El Patio, a handbook at 5941 Cermak rd., Cicero.

CHICAGO DAILY NEWS
Sept 13, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5A/cw

3 ENCLOSURE

58-7000-1102

CHICAGO DAILY TRIBUNE
Part 3** Page 6
Thursday, September 16, 1948

REVEAL NITTI'S SHARE OF FILM EXTORTION CASH

Ricca and Campagna in 'Joint Venture'

BY JAMES DOHERTY

Big money accounts of the "extortion shares" of Frank (The Enforcer) Nitti, Capone gang chief who committed suicide in 1943, and of Paul Ricca and Louis Campagna, whose federal paroles are under investigation by congress, were made public yesterday and immediately this question was raised:

"Why did Nitti quit the slot machine racket in 1939?"

That year had been a bad one for the Capone-Nitti-Ricca-Guzik syndicate, according to data given the Hoffman-Busbey congressional committee. John E. Cassidy, then attorney general of Illinois, and T. P. Sullivan, now state director of public welfare, then a state police official, had "invaded" Cook county and declared war on the slot machine interests which had offered a bribe of $200,000 and guaranteed $8,000 a month if "let alone," according to the state authorities.

Law Enforcement Assailed

Cassidy "read the riot act" to the then sheriff, Tom O'Brien, who is now a congressman, and the September, 1939, Cook county grand jury did likewise, the committee was told. The grand jury charged that in Chicago enforcement of the gambling laws was a "colossal sham" and a crusade against the one arm bandits drove Nitti to other pastures, it was asserted. Cassidy and Sullivan were credited with "chasing" Nitti.

Treasury department figures supplied to the Hoffman-Busbey group disclosed some of the "colossal" incomes of the underworld rulers who then had started their attack on Hollywood. The cash transactions of Nitti, Ricca, Campagna and others of the "mob" are considered of importance to the inquiry because Ricca and Campagna were able to compromise income tax claims with money presumed to have come from Cook county slot machines, and because the government is still trying to collect back taxes on Nitti's income.

Admits $50,000 Average

The government has Nitti's own statement that on Oct. 10, 1939, he turned over to his partner, Ed Vogel, the lucrative racket that Vogel is said to still enjoy in the areas around Chicago. Nitti's own admission that he had taken an average of $50,000 a year for himself from the Cook county slot machine racket was in the record given the congressmen.

Charles Oliphant, chief counsel of the bureau of internal revenue, was the authority for the figures on how much Nitti received from the money extorted from the largest motion picture companies. During the taxable years of 1935 to 1940, Nitti was a member of what Oliphant said was a "joint venture or enterprise with certain other individuals, some of whom were officers of the International Alliance of Theatrical and Stage Employes, a labor union."

Figures On Nitti's Share

Ricca and Campagna were in this "joint venture," according to government spokesmen, and they went to prison because of it, but their 10 year sentences were cut to three and a half years for reasons not yet learned by the congressmen. Their tax "settlements" were made in pre-parole negotiations. Oliphant's statement contained the following:

Year.	Extortion paid.	Nitti's share.
1935	$206,406	$44,757
1936	377,548	83,899
1937	560,010	124,446
1938	332,225	73,327
1939	189,233	42,051
1940	161,599	35,911

It was understood that Ricca and Campagna received slightly lesser shares of the "joint venture" than did Nitti who was gang chief while he lived. Ricca succeeded him, the congressmen were told, and Campagna was high up in the mafia organization.

None In Tax Returns

Nitti did not "acknowledge" any of the extortion cash in his tax returns, Oliphant stated. The total income the government attributed to Nitti and the additional tax he should have paid but didn't, were listed in the statement as follows:

Year.	Taxable income.	Tax evaded
1935	$132,204	$24,662
1936	176,656	57,681
1937	235,283	84,016
1938	203,054	60,488
1939	211,547	48,644
1940	75,814	18,664

If Nitti had lived he might have settled with the government at 20 cents on the dollar—as Ricca and Campagna did.

CHICAGO DAILY TRIBUNE
Sept 16, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/91 BY SP5A/aw

ENCLOSURE
1
58-2000-1102

Cite ruling on Campagna in Ricca case

One judge's decision was quoted to another as the government's answer to the petition of Paul Ricca to avoid a return to prison.

Asst. U.S. Dist. Atty. John P. Lulinski filed with U.S. Dist. Judge Michael L. Igoe the decision of U.S. Dist. Judge John P. Barnes in the case of Louis (Little New York) Campagna.

Barnes denied Campagna such a writ as Ricca is seeking. The U.S. Parole Board ordered Campagna, Ricca and Charles (Cherry Nose) Gioe, all convicted in a $1,000,000 movie extortion plot, back to prison for hearings on charges that they violated their parole.

Campagna and Gioe have been returned to the Atlanta penitentiary. Ricca has been free on $10,000 bond since July, pending the hearing Monday before Igoe on his petition. In denying Campagna's petition, Barnes held that the parole board held jurisdiction in the case.

CHICAGO DAILY SUN—TIMES

Sept 16, 1945

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 8/6/95 BY SP-a/aw

1 ENCLOSURE

58-3000-1902

The Attorney General

September 29, 1948

Director, FBI

RECORDED - 125

LOUIS CAMPAGNA, WITH ALIASES, ET AL
BRIBERY
PAROLE MATTERS

I am enclosing herewith for your further information in this case photostatic copies of newspaper articles published in Chicago on September 17 and September 20, 1948.

Enclosures

CAE:nhl
58-2000

3/6/95 sesa (ax)

RECEIVED-DIRECTOR
F B I
U.S. DEPT. OF JUSTICE
SEP 29 3 PM '48

SEP 29 12 44 PM '48
RECEIVED-TOLSON
F B I
U.S. DEPT OF JUSTICE

SEP 29 2 56 PM '48
RECEIVED-ROOM
F B I
U.S. DEPT OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

SENT FROM D. O.
TIME 5:25 PM
DATE 9-29-48
BY

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

DATE: September 20, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 CW/GW

For the information of the Bureau there is transmitted herewith a clipping from the Chicago Tribune of September 17th, which relates to the captioned matter.

MG
Enc. (1)

ENCL (1) - memo attorney General 9-27-48 CHE enclosures

INDEXED - 125
RECORDED - 125

32 SEP 30 1948

HOLD SECRET HEARING FOR CAMPAGNA, GIOE

Board Action in Parole Case Also Mystery

BY JAMES DOHERTY.

Secret hearings were held last week for Louis Campagna and Charles Gioe, high-ups in the Capone syndicate, in moves underway to revoke paroles granted after they served 3½ years of 10 year sentences as members of a $1,800,000 extortion ring.

This action became known yesterday but the decision of the federal parole board was not made public. The prisoners are now in Atlanta penitentiary. Word came to Chicago that they are not hopeful of a decision in their favor.

Wait Action In Ricca Suit

They sent word to their families here that the board's decision probably would not be disclosed until after court action on the habeas corpus suit of Paul Ricca, convicted and paroled with them.

Under this writ Ricca has been at liberty since last June, when a parole violation warrant was served on him. A hearing is scheduled for Monday in federal court here. When similar warrants were served on Campagna and Gioe a month later, William Scott Stewart, Campagna's attorney, failed to obtain freedom for his client in another habeast corpus suit.

Suits Filed In Atlanta

Campagna and Gioe were taken to Atlanta, where Stewart filed new habeas corpus actions.

Fred S. Rogers, a board member, admitted that the secret parole hearing was held Sept. 8.

The Hoffman-Busbey congressional committee has demanded that the paroles be revoked on the ground they were obtained by fraud.

CHICAGO DAILY TRIBUNE

Sept. 17, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP2 CJW

58-2000-1903

ENCLOSURE

THE ATTORNEY GENERAL

October 8, 1948

Director, FBI

LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

I am enclosing herewith for your information in connection with this case photostatic copies of newspaper articles published at Chicago between September 20 and September 29, 1948.

Enclosure

RECORDED - 98 58-2000-1904

CAE:gjb

3/6/95 ISRSA/ad

SENT FROM D. O.
TIME 2:00 PM
DATE 10-8-48
BY

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

2 293

RECEIVED - FBI
U.S. DEPT. OF JUSTICE

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: September 21, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

Mr. T[illegible]
Mr. C[illegible]
Mr. G[illegible]
Mr. [illegible]
Mr. [illegible]
Mr. [illegible]
Mr. Carnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

For the information of the Bureau there are enclosed herewith clippings from the September 20th issues of the Chicago Herald-American and the Chicago Tribune which relate to the captioned matter.

MG
Encs. (2)

RECORDED - 125
INDEXED - 125

158-2000-1904
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32 SEP 30 1948

~~RECORDED RECORDING~~

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/95 BY SP5 CA/aw

2 ENCL
135

Left 10-8-48 CAE

RICCA'S PAROLE REVOCATION TO COME UP TODAY

Bitter Legal Fight Due in Gangster's Case

BY JAMES DOHERTY

Government lawyers are ready for the battle here today on proceedings to revoke the parole of Paul Ricca, reputed head of a national crime and gambling syndicate, Rep. Busbey (R., Ill.) said yesterday. Busbey said he expects to be in the courtroom of United States Judge Michael L. Igoe, where the hearing will be held.

Sending a man as powerful as Ricca to prison is no easy task, said Busbey, a member of the house committee investigating financial aspects of the paroles granted Ricca and others of his gang convicted as members of an $1,800,000 extortion ring. Keeping him there is no less difficult, Busby added, mentioning that Ricca, and his fellow gangsters, Louis Campagna, Phil D'Andrea, Charles Gioe and John Rosselli, were sentenced to 10 years imprisonment, but were freed in three and a half years by the federal parole board.

Deportation An Issue

United States Atty. Otto Kerner Jr., who will lead the government's fight today against Ricca's petition for a writ of habeas corpus, realizes that the hoodlum is making a last ditch stand to keep from being deported, the congressman said. Kerner insisted when the petition for a writ was filed last summer that under the law Judge Igoe must permit the parole board to take Ricca back to prison, where a decision will be made on whether he must serve the rest of his term.

"The congressional committee decided that the paroles of the Capone gangsters were improvidently granted," Busbey explained. "Rep. Hoffman, the chairman, insisted that they be voided on the grounds of fraud. The parole board, however, decided to take a different course.

"One interrogation said to await Ricca if he faces the parole board concerns the large sum spent on his daughter's wedding, at which many cases of champagne were served. That, however, is incidental to the main complaint that he should not have been paroled in the first place."

Since Judge Igoe gave Ricca temporary freedom under a writ of habeas corpus, two other federal judges have ruled they were without jurisdiction in similar cases involving Campagna, Rosselli. Judge John P. Barnes, senior judge of the District court here, of which Igoe is a member, ruled that Campagna must go back to prison on a warrant similar to that issued for Ricca's rearrest. Federal Judge Dave Ling made the same ruling in Los Angeles, regarding Rosselli.

Sent Back To Atlanta

Campagna was sent back to Atlanta on July 21, when Judge Barnes gave his decision, even tho Atty. William Scott Stewart, who represents Ricca, filed an appeal. Rosselli was permitted to remain in a Los Angeles jail until his case is decided.

In addition to the appeal here of Campagna, Stewart filed a petition in Atlanta for writs of habeas corpus for Campagna and Gioe.

One of the three federal parole board members gave Campagna and Gioe a hearing on Sept. 8, preliminary to a meeting of the board in Washington at which the board's findings will be disclosed, it was learned. Ricca will face the same proceeding if Judge Igoe follows the precedent set by Judges Barnes and Ling. Stewart said he would go thru the same proceedings in Atlanta for Ricca if he loses here.

CHICAGO DAILY TRIBUNE

Sept 20, 1948

3/6/95 SPSA/cw

57-2000-1904

ENCLOSURE

Open Battle to Imprison Ricca

Paul (The Waiter) Ricca, titular head of the Guzik-Ricca-Capone syndicate, met with the strongest opposition from Uncle Sam today as he fought to escape being returned to Atlanta Penitentiary.

Government attorneys were prepared for a last ditch fight to prevent the hoodlum from remaining at large under a writ of habeas corpus to enjoy the pleasures of his $150,000 fortress estate at Long Beach, Ind., and his 1,100-acre Kendall County farm, Rep. Busbey (R), of Illinois, said.

IGOE TO DECIDE

The decision on granting the writ rests with Federal Judge Igoe. If he denies Ricca's petition, the mob leader will go back to Atlanta, at least, until the Federal Parole Board holds a hearing.

Rep. Busbey, member of the House committee investigating paroles granted Ricca and other Guzik-Ricca-Capone hoodlums convicted in a $1,000,000 movie industry shakedown, said he would attend the hearing.

U.S. Attorney Otto Kerner Jr. was in charge of the government's fight.

Filing of Ricca's habeas corpus petition last July kept him out of prison while two other mob leaders, Louis (Little New York) Campagna and Charles (Cherry Nose) Gioe, were returned there.

At that time, Kerner insisted that under the law Judge Igoe must permit the parole board to return Ricca to prison.

THE CHICAGO AMERICAN

Sept 20, 1948

NF 3/6/95 cr SPS-a/cd

1904

cc-Mr. Ladd
Mr. Rosen
Mr. McCabe
Mr. Evans

RECORDED - 40
INDEXED - 40

-1905

September 15, 1943

EX-25

Honorable Fred [illegible] Busbey
Member of Congress
9144 S. Wayne Avenue
Chicago 20, Illinois

3/6/95 SPSA(AC)

My dear Congressman:

I have received your letter of September 8, 1943, requesting the assistance of this Bureau in locating [illegible] Oakes of 1110 South Ashland Avenue, Chicago, in order that a subpoena might be served upon him for appearance before the Sub-Committee of the Committee on Expenditures in Executive Departments holding hearings in connection with the parole of Louis Campana and others.

As you know, the investigation by this Bureau in the Campana case was conducted at the specific request of the Attorney General. In view of this, I am referring your letter to the Attorney General for his consideration.

With expressions of my highest esteem and best regards,

Sincerely yours,

J. Edgar Hoover

CAE:[illegible]

COMMUNICATIONS SECTION
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U.S. DEPT OF JUSTICE
ROOM

Mr. Tolson

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. IADD

DATE: September 14, 1948

FROM : A. ROSEN

SUBJECT: LOUIS CAMPAGNA, was., ETAL
BRIBERY
PARDLE MATTERS

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Holmes
Miss Gandy

There is attached a letter from Congressman Fred E. Busbey (R.-Illinois) in which he requests this Bureau's assistance in the location of Ned Bakes of Chicago, whose appearance before the Congressional Committee holding hearings in the Campagna case is desired. On the basis of information furnished to Assistant Director Nichols by Congressman Busbey in June, 1948, it is known that Busbey is under the impression that Bakes is identical with the mysterious "Mike Ryan", who is unidentified and who allegedly paid Maury Hughes, Dallas attorney, a $15,000 legal fee for his services in this case.

At the request of the U. S. Attorney, Chicago, this Bureau located and interviewed Ned Bakes on two occasions. Copies of the investigative reports reflecting these interviews were furnished both the Attorney General and the U. S. Attorney, Chicago. It is recalled that Congressman Busbey has on several occasions endeavored to secure information from the files of this Bureau and to have us conduct investigation which he requested without clearing the matter with the Attorney General. In all instances the Congressman has been advised that his request would have to be cleared with the Attorney General.

ACTION

It is, therefore, believed that Congressman Busbey should be advised that his letter is being referred to the Attorney General. A suggested letter to Busbey is attached as is a letter to the Attorney General.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 a/cw

Attachments
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CAE:MG

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22 SEP 24 1948

EX-25

EX-25

FRED E. BUSBEY
3D DISTRICT, ILLINOIS

COMMITTEES:
INTERSTATE AND FOREIGN COMMERCE
EXPENDITURES IN EXECUTIVE DEPARTMENT

Congress of the United States

House of Representatives

Washington, D. C.

9144 S. Hoyne Avenue
Chicago 20,
September 8, 1948

Honorable J. Edgar Hoover
Director
Federal Bureau of Investigation
Washington, D. C.

ALL FBI INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3-16-95 BY SP5 CAW

Dear Mr. Hoover:

I am particularly anxious to know the whereabouts of one Ned Bakes, to the end that a subpoena might be served on him as a witness in the investigation of our Sub-Committee regarding the parole of Campagna, Gioe, D'Andrea and Ricca.

Due to the fact there are several men by the name of Ned Bakes, I give you herewith what information has come to my attention regarding the one we desire to subpoena.

He is a registered voter from 1118 S. Ashland Avenue, Chicago. He is reported to be living with one Rose Mondo, a widow of a man who was killed in the gang warfare here in Chicago. She is reported to be the niece of Mr. James Aducci, member of the State Legislature of Illinois.

It is reported that he is part owner of the Milano Restaurant, 533 S. Halsted Street, as well as a pool room at 772 West Harrison Street. In looking over this situation the other day, I noticed that the main entrance of the restaurant was on Halsted Street, but that it runs in the shape of an "L" and there is an entrance on Harrison Street. The entrance on Harrison Street is one door west of the pool room, which is located at 772 West Harrison.

He is also reported to be part owner of the Armand Trucking Company at 1025 South Western Avenue. This building has a three entrance garage building running from about 1001 to 1025 South Western Avenue. In checking this building I noticed several trucks of the American Transportation Company inside of the garage. The Chicago Telephone Directory gives the addresses of the American Transportation Company as 1001 S. Western Avenue and 2500 West Taylor Street.

Mr. Bakes is approximately 50 years of age, and for several years worked as a Deputy Sheriff in the office of the Sheriff of Cook County, and left that office on or about April 30th of 1946.

Memo to Ladd
Let to Congressman Busbey
Let to Att. Gen.
9-15-46
C.A.E.

ENCLOSURE
58-2000-1905
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RECORDED : 40

EX-25 22 SEP 24 1948

He is reported to be rather active in politics, both Republican and Democrat, particularly in the 1st Ward of Chicago.

I urgently request the services of your organization to locate Mr. Bakes and report his whereabouts to me at the earliest possible date in order that a subpoena from our Congressional Committee might be served.

Sincerely yours,

Fred E. Busbey

FEB:re

Fred E. Busbey, M. C.

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 20 1948

TELEMETER

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

WASHINGTON 1 FROM CHICAGO 20 11-17AM

DIRECTOR . URGENT

ATTN., ASSISTANT DIRECTOR A. ROSEN

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/16/95 BY SP5A/AD

LOUIS CAMPAGNA WAS', ETAL. BRIBERY, PAROLE MATTERS. USA KERNER ADVISED THAT TODAY UPON MOTION BY ATTORNEY WILLIAM SCOTT STEWART, FEDERAL JUDGE MICHAEL L. IGOE CONTINUED THE PAUL DELUCIA HEARING UNTIL OCTOBER EIGHTEEN NEXT IN ORDER THAT ATTORNEY STEWART MIGHT FILE AN ANSWER TO THE GOVERNMENT,S BRIEF FILED BEFORE JUDGE IGOE SETTING FORTH THE DECISION OF USDJ JOHN P. BARNES IN THE HABEAS CORPUS HEARING OF LOUIS CAMPAGNA. USA KERNER ALSO ADVISED THAT HE UNDERSTOOD THE HEARINGS OF CAMPAGNA AND GIOE AT ATLANTA, GA. SET FOR TODAY WOULD BE POSTPONED TO SEPTEMBER TWENTYSEVEN NEXT IN ORDER TO PERMIT ATTORNEY ~~STEAXX~~ STEWART OF CHICAGO TO BE PRESENT IN ATLANTA.

MC SWAIN

END AND ACK PLS

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60 OCT 12 1948

58-2000-1906

FBI

34 SEP 28 1948

cc. DWBL

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

SEP 22 1948

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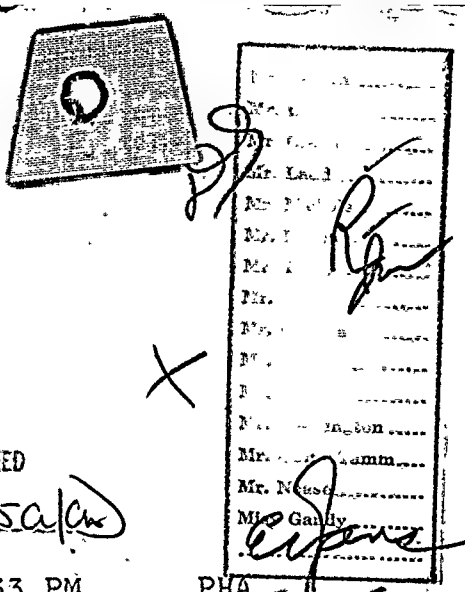

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SESA/CW

FBI ATLANTA 9-22-48 5-33 PM PHA

DIRECTOR ..... U R G E N T

LOUIS ~~CAMPAGNA~~ CAMPAGNA, WAS, ETAL, BRIBERY, PAROLE MATTERS, HABEAS CORPUS PROCEEDINGS. REBUTEL TODAY. ONLY ACTION OCCURRING TWENTIETH INSTANT WAS FILING OF RESPONSES BY USA, ~~ATLANTA~~ ATLANTA. USA ANTICIPATES THAT TRAVERSES WILL BE FILED BY PETITIONERS ATTORNEYS TWENTYSEVENTH INSTANT, AND THAT HEARING WILL BE SET THAT DATE. USA PLANS TO REQUEST JUDGE UNDERWOOD TO SET HEARING ON OR ABOUT OCTOBER SEVENTH NEXT IN ORDER THAT MR. GOTTSCHALL OF THE DEPARTMENT MAY BE PRESENT. IT IS ALSO POSSIBLE THAT ON THAT DATE AGREEMENTS WILL BE REACHED AS TO WHETHER EVIDENCE WILL BE SUBMITTED BY AFFIDAVITS OR INTERROGATORIES, FOLLOWING WHICH CHICAGO WILL BE REQUESTED TO FURNISH AFFIDAVIT REFUTING ~~KIDNAPING~~ KIDNAPING CHARGE. AGENT WILL BE PRESENT AT ~~ALL~~ ALL ~~STAGES~~ STAGES OF COURT PROCEEDINGS, AND BUREAU ~~AND~~ AND INTERESTED OFFICES PROMPTLY ADVISED.

FOLTZ

END

6-3770. PM OK FBI WASH DC ML

RECORDED - 133 1-7-2000-1907
F B I
31 SEP 28 1948

OCT 7-1948

cc: Mr. Rosen
Mr. Evans

The Attorney General

October 1, 1943

Director, FBI

67 - [redacted] - 1908

LOUIS CAPPADORA, with aliases, ET AL
EXTORTION; HOBBS ACT-RACKETS

I am enclosing herewith for your further information a photostatic copy of an article by James Doherty published in the Chicago Tribune for September 21, 1943 which pertains to this case.

Enclosure

3/6/95 SPSA/aw

58-2000
CAE:LS

6

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

520CT8

SENT FROM D. O.
TIME 7 p.m.
DATE 10-1-43
BY [redacted]

OCT 1 5 47 PM '43

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F B I
U.S. DEPT. OF JUSTICE

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: September 22, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

Mr. Tolson
Mr. Clegg
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Miss Gandy

For the information of the Bureau there is transmitted herewith a clipping from the Chicago Tribune of September 21, 1948, which relates to the captioned matter.

MG
Enc.

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FBI

3 OCT 4 1948

1 ENCL
49
Memo re Betty Legrand
10/1/48 - cae

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/93 BY SP5A/cw

Ricca Gang Gaming Hit on 3 Fronts

BY JAMES DOHERTY

Paul Ricca, gang chief, won a month's freedom in the courtroom of United States Judge Michael L. Igoe yesterday and suddenly found himself under fire from two candidates for state's attorney and Chicago Crime commission officials.

The combination of Ricca's temporary success in evading revocation of his federal parole, and the revelation that Ricca's gang's gambling dives were reopening thruout the county, drew attention to the financial features of the Ricca case. Wide open gambling in Cook county and nearly wide open dives in some parts of the city were said to be directing funds into two projects. One was the Ricca-Campagna-Gioe-D'Andrea court fight to keep the costly parole which cut their 10 year sentence for a $1,000,000 extortion to 3 1/2 years; the other was political campaign chests.

"The Ricca-Guzik gang must be stopped," said Guy E. Reed, chairman of the board of directors of the crime commission.

Coghlan Blames Democrats

Malachy J. Coghlan, Republican nominee for state's attorney, blamed the Democratic county and city organization for permitting the gambling syndicate to last as long as it has, and reopen now.

John S. Boyle, Democratic nominee for state's attorney, blamed the Republican sheriff and township officials.

Reed, Coghlan and Boyle united in declaring that after a new state's attorney takes office next December, there will be no more syndicate gambling in this county.

Reed arranged for a meeting today with Austin Wyman, president of the crime commission, and Virgil W. Peterson, its operating director. Wyman said he would use all the influence at his command to put an end to the money raising success of the Ricca-Guzik gang thru its Cook county connections.

Charge It Follows Pattern

"The upsurge of gambling in Chicago and Cook county in recent months is merely following the pattern which has become so commonplace in this area preceding each election," a statement issued over the signatures of Wyman, Peterson and Reed said, concluding.

"The crime commission has definitely established that wide open and widespread gambling can be wiped out if responsible officials are determined to do so. The present situation calls for an immediate appraisal of efforts on the part of all responsible officials and if they are unable to curb the present condition, then the grand jury should be called upon to fix responsibility."

Predicted Months Ago

"Resumption of wide open gambling in Chicago confirms reports of a month ago that this would occur to raise Democratic campaign funds and money for the defense of the paroled syndicate gangsters," Coghlan said in a formal statement.

"The crime syndicate and our present law enforcement officials are in partnership. This has been true for the last 16 years. In all this time the Democrats have con-

Continued on Page 12, Col. 3

3/6/95 SPSA/CAD

CHICAGO DAILY TRIBUNE

Sept 21, 1948

58-2000-1908

CHICAGO DAILY TRIBUNE:
Page 12 Tues., Sept. 21, 1948

RICCA SYNDICATE GAMBLING HIT FROM 3 SIDES

Gang Head Wins Delay in Parole Case

(Continued from Page 1)

troled the state's attorney's office.

"In attacking the Ricca syndicate in its hold on gambling, on certain labor unions and on other phases of life in Cook county, I have related facts that establish without question the far reaching crime partnership which betrays 4,000,000 citizens.

"The past is no criterion for our future action. We must go farther than ever before. Cicero's upheaval, gang executions and other episodes must have greater effect than merely closing down gambling for a short time."

Boyle Vows To Fight Gang

Boyle said a newspaper listed six spots—including Ralph's place near Glenview—where gambling is wide open and that the newspaper said the Ricca-Guzik gang has been given the nod to open up.

"As state's attorney of this county, I will not tolerate this mob and their suburban pal, Eddie Vogel, operating in Chicago and this county," Boyle said in a statement which anticipates his election.

"This city and its suburbs have had enough of these hoodlum gangsters and their corrupt tactics. They must get out and stay out.

"Six spots in the county are listed. Local law enforcement officials and the Republican sheriff of this county are responsible for them.

Hails Prendergast Action

"The three places listed as operating in Chicago are a matter for the police. It would appear that Commissioner Prendergast is on top of the situation as he has already called four captains on the carpet to explain gambling in their districts.

"This is more than the Republican sheriff has done."

That the gambling syndicate had been gradually increasing its operations in the county and city was shown by reports of investigators for the crime commission.

William Scott Stewart, attorney for Ricca in the habeas corpus fight to keep the government from cancelling the paroles given four notorious Capone gangsters a year ago, told Judge Igoe yesterday he would have to spend some time in Atlanta, Ga., on a court case he instituted there in behalf of Louis Campagna and Charles Gioe, aids of Ricca, who succeeded Frank Nitti in ruling the gang of outlaws organized 25 years ago by Al Capone.

Therefore, he explained to the court, he would need more time in preparing Ricca's defense here to the government's parole revocation program.

Judge Igoe, after preliminary hearings, continued the hearing until Oct. 18 and permitted Ricca to be free on bail pending final disposition of the plea. Campagna was denied freedom in a similar plea to Federal Judge John P. Barnes, and John Roselli, a gangster ally, was also denied court aid in California.

SAC, Chicago

October 8, 1948

Director, FBI

LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

For your information, the Bureau received a letter from Congressman Fred E. Busbey (R-Illinois) dated September 8, 1948, requesting the assistance of this Bureau in locating Ned Bakes of 1118 South Ashland Avenue, Chicago, in order that Bakes might be served with a subpoena for his appearance before the Congressional Committee holding hearings in this case. The Bureau replied to Congressman Busbey advising that his letter was being referred to the Attorney General.

The Bureau is now in receipt of a carbon copy of a letter addressed to Congressman Busbey by Mr. Peyton Ford, The Assistant to the Attorney General. This letter is dated September 29, 1948, and indicates that it is in response to Busbey's letter to the Bureau of September 8, 1948, and to a letter by Busbey to the Department dated September 22, 1948. Mr. Ford in his letter suggested that Congressman Busbey contact U. S. Attorney Otto Kerner, Jr. at Chicago, for any information which he might have relative to the last known address or location of Bakes.

In the event you receive any additional request from Mr. Kerner for investigation to re-locate Bakes, you should, of course, promptly advise the Bureau by teletype before undertaking such investigation.

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CAE:gjb

COMMUNICATIONS SECTION
FILED 8
OCT 8 1948 P.M.

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Acen
Mr. Carnes
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mr. Nease
Miss Gandy

NOV 4

PF:MJM:cd

September 29, 1948

Honorable Fred E. Busbey
House of Representatives
Washington, D. C.

My dear Mr. Congressman:

This is in response to your letter of September 8, 1948, to the Director of the Federal Bureau of Investigation of this Department and your letter of September 22, 1948, wherein you expressed the desire to learn the location of a Mr. Herbert Bakes in order that a subpoena might be served on him as a witness in the investigation of paroles by the sub-committee of which you are a member.

It is suggested that you contact United States Attorney Otto Kerner, Jr., Chicago, Illinois, for any information which he may have relative to the last known address or location of the Mr. Bakes in whom you are interested.

Yours sincerely,

PEYTON FORD

Peyton Ford
The Assistant to the Attorney General

ALL FBI INFORMATION CONTAINED
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DATE 3/6/95 BY SP5 alw

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ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/6/95 SP2A/CIA

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

FBI ATLANTA 9-27-48 2-59 PM PHA

DIRECTOR AND SAC, CHICAGO ..... U R G E N T

LOUIS CAMPAGNA, WAS, ETAL, BRIBERY, PAROLE MATTERS, HABEAS CORPUS PROCEEDINGS. ARGUMENT OF COUNSEL FOR ISSUANCE INSTANT WRITS HEARD TODAY BY FEDERAL JUDGE E. MARVIN UNDERWOOD, USDC, ATLANTA. JUDGE UNDERWOOD INDICATED THAT HE WILL ISSUE THE WRIT AND IF HE DOES WILL SET THE PROCEEDINGS FOR FINAL HEARING OCTOBER TWENTYFIFTH NEXT. JUDGE UNDERWOOD TOOK UNDER ADVISEMENT THE QUESTION OF WHETHER WRITS WOULD BE ISSUED EXPRESSING CONSIDERABLE DOUBT AS TO WHETHER ALLEGATIONS REGARDING THE ACTIONS OF THE PAROLE BOARD CONSTITUTE GROUNDS FOR ISSUANCE BUT FEELING THAT PETITIONERS ALLEGATION THAT ORIGINAL CONVICTION WAS UPON PERJURED TESTIMONY, KNOWN TO HAVE BEEN PERJURED BY PROSECUTION OFFICIALS WOULD BE SUFFICIENT GROUNDS FOR ISSUANCE OF WRITS IN HABEAS CORPUS PROCEEDINGS. PETITIONERS COUNSEL ASKED THAT JUDGE ALLOW A TEN THOUSAND DOLLAR CASH BOND AS TO EACH PETITIONER, BUT JUDGE UNDERWOOD REFUSED TO ENTERTAIN SUCH MOTION UNTIL THE CASE HAS BEEN FURTHER DEVELOPED. PETITIONERS COUNSEL ALSO INDICATED DESIRE TO HAVE MEMBER OR MEMBERS OF PAROLE BOARD TESTIFY AT HEARING AND USA ATLANTA CONSULTING WITH DEPARTMENT RE POLICY OF THIS QUESTION. CHICAGO OFFICE REQUESTED TO FURNISH ATLANTA WITH A NOTARIZED STATEMENT, OVER SIGNATURE OF SAC, DENYING ALLEGATION IN PETITION TO THE EFFECT THAT REPRESENTATIVES OF THE FBI PARTICIPATED IN ARREST AND REMOVAL OF PETITIONERS TO ATLANTA. IN ARGUMENT TODAY, NO ALLEGATION CONCERNING BUREAU PERSONNEL OR BUREAU POLICY WAS MADE, AND WITH RESPECT TO PETITIONER

G.I.R.-3

RECORDED 158-2000-1910

INDEXED

3 OCT 4 1948

6 OCT 11 1948

PAGE TWO ....

ARRESTS, COUNSEL NAMED ONLY QUOTE THE MARSHAL UNQUOTE, AS PARTICIPATING IN THE ARRESTS AT CHICAGO.

FOLTZ

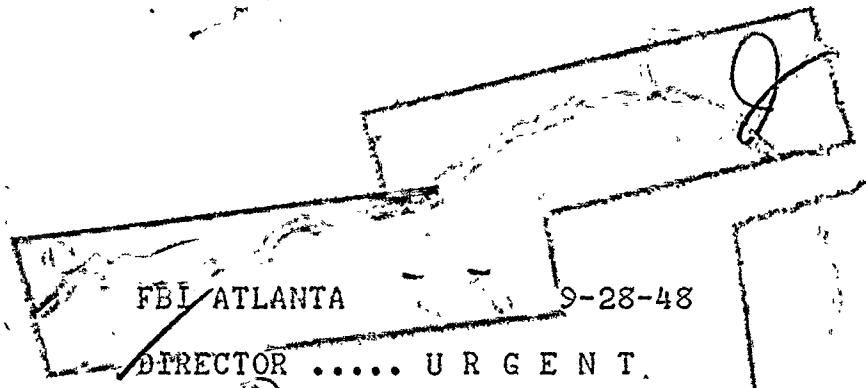
END

AM IN O PLS

WA 3-05 PM OK FBI WASH DC ELR

CG . OK FBI CG AM

DISC O



Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

FBI ATLANTA 9-28-48 1-35 PM PHA

DIRECTOR ..... U R G E N T.

LOUIS CAMPAGNA, WAS, ETAL, BRIBERY, [redacted]

PAROLE MATTERS, HABEAS CORPUS PROCEEDINGS. ORDER ENTERED USDC

ATLANTA GRANTING WRITS, AND HEARING SET OCTOBER TWENTYFIVE NEXT.

[redacted] APPLICATION BY PETITIONERS COUNCIL TO SUBPOENA

WITNESSES INCLUDING CO DEFENDANTS AND MEMBERS PAROLE [redacted]

BOARD DENIED.

FOLTZ

END

1-37 PM FBI WA DC VHJ

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5 OCT 7 1948

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/16/95 BY SP2 alw

62-2600-1911

F B I

3 OCT 4 1948

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN
FROM : SAC, Chicago

DATE: September 28, 1948

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Nichols
Mr. Rosen
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease

For the information of the Bureau there are transmitted clippings from the Chicago Tribune of September 26 and 27, which pertain to the captioned matter.

MG
Encs. (2)

Letters 10-7-48 case.

1 ENCL 126

RECORDED - 126
INDEXED - 126

158-2000-1912
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22 OCT 11 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/95 BY SP5 a/cm

RECORDED - 126

THE ATTORNEY GENERAL
Director, FBI

October 7, 1948

LOUIS CAMPAGNA, was, et al
BRIBERY; PAROLE MATTERS

For your additional information in this case, I am enclosing herewith photostatic copies of newspaper articles published in the Chicago Tribune for September 26 and 27, 1948.

Enclosure

CAE:gjb
58-2000

3/6/95 SRSA/CW

OCT 7 3 49 PM '48
RECEIVED - DIRECTOR
F B I

U.S. DEPT. OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Tele. Room
Mrs. Nease
Miss Gandy

SENT FROM D. O.
TIME 1:30 P.M.
DATE 10-7-48
BY

293

CHICAGO SUNDAY TRIBUNE
Part 1 Page 24** Sept. 26, 1948

HOFFMAN'S AID OFFERED TO JURY ON MOB PAROLES

Prober Says He'll Await Kerner Summons

BY JAMES DOHERTY

Rep. Clare E. Hoffman (R., Mich.) yesterday offered to help the special federal grand jury here discover the identity of the big money men who enabled four top Capone gangsters to have 10 year prison sentences cut to 3 1/2 years. Hoffman is chairman of the house committee on executive expenditures and also heads a subcommittee which issued a report saying the four gangsters should not have been paroled.

The congressman, whose home is in Allegan, Mich., said he would come to Chicago to appear before the jury any time United States Atty. Otto Kerner Jr. wishes to call him. His own committee is still tracing the cash transactions back of the paroles of Paul Ricca, Louis Campagna, Charles Gioe, and Phil D'Andrea and he is making other inquiries pertaining to a "parole racket" but he will hold himself ready for a call to Chicago, Hoffman said.

Will Study Clippings

The special grand jury—it was impaneled last November—was called back into session last week by Kerner and is scheduled to sit for three days this week to study newspaper clippings which tell the story of the success of the gangsters in serving the minimum time on their conviction of extorting more than 1 million dollars from Hollywood motion picture producers.

The Hoffman committee heard numerous witnesses on the subject of how much the paroles cost and who paid for them. Hoffman said the congressmen were intrigued over the story of Maury Hughes, Texas lawyer and pal of United States Atty. Gen. Tom Clark. Hughes testified he received $15,000 for having the department of justice dismiss an indictment that would have prevented the release of the gangsters on parole.

"Hughes said a man unknown to him and who used the obviously fake name of Mike Ryan hired him to help Ricca, Campagna, Gioe, and D'Andrea," Hoffman recalled. "The true identity of Mysterious Mike Ryan has never been disclosed.

"I have been informed that United States Atty. Kerner and the members of the federal grand jury at Chicago are seeking advice on the future course of their investigation. I will be happy to be of service to them. Our committee spent a year acquiring information about these paroles and I may have some suggestions for the grand jurors."

Hoffman said that in addition to the payments made by "Mike Ryan" he had been told of others which, however, were not officially established. He had rumors of "campaign contributions," he disclosed, which may have influenced the release of the criminals.

Probe Still Open

The congressional committee has not concluded its parole investigation, Hoffman said. He was joined by Rep. Fred E. Busbey (R., Ill.), Chicagoan who has been active in seeking the full story of why clemency was given to the convicts, who have long police records and who were branded by federal authorities as "menaces to society."

The congressional committee is expected to hold additional hearings in Chicago. The United States marshal's office has reported being unable to find Peter Fosco, prominent Democratic ward leader and labor union official, and Ned Sakes, "mysterious man of influence in Italian-American affairs," who were named in subpenas issued by Hoffman. The committee still wants to question them, Busbey said.

The congressmen said that if their task is not completed this year, the parole investigation will be resumed when the new congress is convened next year.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 CAW

CHICAGO DAILY TRIBUNE
Sept 26 1948

ENCLOSURE
58-2122-1912

U.S. TO FIGHT TODAY FOR TAX OWED BY NITTI

Writ to Free 2 Aids Faces Court Test

BY JAMES DOHERTY

Action by the government to collect income tax from the estate of the late Frank (The Enforcer) Nitti on $404,891 said to have been paid him from the extortions which put a half dozen of his subordinates of the Capone gang in prison, is scheduled for this morning in the federal Tax court here.

At the same time, government action in the move to revoke the paroles given members of the Capone-Nitti gang, convicted in the extortion case, is slated for today in the United States District court in Atlanta, Ga., before Judge E. Marvin Underwood. The court will hear arguments for and against a habeas corpus petition filed for Louis Campagna and Charles Gioe after they were arrested in Chicago in August and sent back to the federal penitentiary at Atlanta, for parole violations.

$1,800,000 Income Charged

In a brief filed here by Charles Oliphant, chief counsel for the bureau of internal revenue, the government alleges that the Capone gang, then under Nitti's leadership, obtained at least $1,800,000 in its series of shakedowns of movie men.

"They were engaged in the business of obtaining money from motion picture and theatrical producers and exhibitors in return for their promises not to foment strikes, not to demand higher wages, not to insist on duplicated labor costs, and not to bring about disruption in the production and exhibition of motion pictures and theatrical presentations," Oliphant stated.

It was explained that by "they" he referred to Nitti, who committed suicide on March 19, 1943, the day he and his fellow extortioners were indicted; to Paul Ricca, who succeeded to leadership of the Capone gang upon Nitti's death; and to Campagna, Gioe, Phil D'Andrea, John Rosselli, and other minor participants in the conspiracy.

"Quick" Paroles Under Fire

The major defendants were sentenced to 10 years imprisonment but they were given "quick" paroles when they had served less than 3 1/2 years, after a series of maneuvers which are still under investigation by congress and a federal grand jury. Efforts to revoke the paroles, in the belief that they were obtained by fraud, have resulted so far in the return of Campagna and Gioe to prison, with Ricca free, temporarily, on a habeas corpus petition. Rosselli is under arrest in Los Angeles, and D'Andrea is awaiting a decision in Washington regarding his fate.

Atty. James A. O'Callaghan, representing Nitti's widow, the former Miss Annette Caravetta, and an adopted son, Joseph Nitti, said Nitti left only $100,000 and that was in a trust fund he established in 1935 for the boy he and his former wife adopted.

$100,000 Seized By U. S.

"The government has seized that $100,000, which was in cash on deposit in the First National Bank of Chicago," O'Callaghan stated. "Because it was taken from them, Mrs. Nitti and the son, Joseph, are destitute.

"It is our contention that this money was set aside for the adopted son prior to the time during which the government says Nitti received some money from the Hollywood producers. The government alleges that Nitti's share was over $400,000, but of course the government can't trace one penny to Nitti's pockets.

"In the criminal trial (in which Ricca and the others were convicted and sentenced to 10 years) the government asserted that the money was obtained by extortion. In this suit against the widow and orphan of the deceased Nitti, the government contends that the money was paid as a bribe."

In the hearing today in the Tax court the government will seek to prove that Nitti and his gang took most of the blackmail obtained by George Browne and Willie Bioff, to whom it was paid. Browne was president of the International Alliance of Theatrical and Stage Employes, and Bioff was his assistant. Both testified in the criminal trials that Nitti and the Capone gang controled the union and used it for shakedown purposes.

While Ricca and Campagna were in prison and seeking parole, the government filed tax suits against them for their share of the "loot." By some negotiations—the details of which were kept secret from the congressional committee headed by Rep. Hoffman (R., Mich.) and of which Rep. Busbey of Chicago is a member—the government "accepted" $128,000 from Campagna and Ricca "in full" settlement of its claims for $670,000 in tax.

CHICAGO DAILY TRIBUNE

Sept 27, 1948

3/6/95 SPSA/CW

ENCLOSURE

2 5-1-1910-1912

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : MR. ROSEN

FROM : D. M. Ladd

SUBJECT: LOUIS CAMPAGNA, ET AL

DATE: September 27, 1948

ALL INFORMATION CONTAINED HEREIN IS UNCLASSIFIED DATE 3/6/95 BY SP5 CLS

Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

Miss O'Donnell of the Attorney General's office called me on the morning of September 29 and stated she had a letter addressed to the Attorney General from Congressman Busby requesting that he, the Attorney General, permit the FBI to locate Ned Bakes in order that the Committee might serve a subpoena on him. Miss O'Donnell stated that this letter referred to the fact that the Congressman had written to the Bureau on September 8.

I advised Miss O'Donnell that the Bureau had received such a letter from Congressman Busby on September and under date of September 15 had sent a memorandum to the Attorney General advising of the receipt of this letter from Congressman Busby and advising the Attorney General that the Congressman had been referred to communicate with the Attorney General.

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58-2000

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3 OCT 6 1948

HAND TO DESK

62 OCT 15 1948

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RECORDED - 13

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: September 29, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

For the information of the Bureau there are transmitted clippings from the Chicago Daily News and the Chicago Tribune of September 28, 1948, which relate to the captioned matter.

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INDEXED - 76
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31 OCT 11 1948
FBI

60 OCT 20 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/93 BY SP2a/cw

NITTI GIFTS OF $125,000 TO WIFE TOLD

U.S. Sues to Tax Movie Bribe

BY JAMES DOHERTY

(Picture on page 5)

Details of the financial affairs of the late Frank (The Enforcer) Nitti, termed a prince of crime, including gifts of $125,000 to his wife, were made public here yesterday in federal Tax court. At the same time two of Nitti's former aids, Louis Campagna and Charles Gioe, were trying to get out of the federal penitentiary at Atlanta, but were told they couldn't get a hearing on a writ of habeas corpus before Oct. 25.

Nitti, whose second wife was said to have lost money faster at gambling in Hot Springs and Miami than he could rake it in from his Cook county gambling operations, made a wedding present of $75,000 to his third wife, the former Annette Caravetta, on Jan. 4, 1943, according to records filed by Atty. James A. O'Callaghan. Nitti gave her another $50,000 on March 10, 1943, nine days before he committed suicide, but neither gift was "in contemplation of death," the attorney declared.

Tax Liens On Nitti Funds

O'Callaghan appeared before Judge John W. Kern of Indianapolis in the Tax court at 1212 Lake Shore dr., prepared to ask the court to lift liens on over $200,000 of the cash Nitti gave his wife and put in a trust fund for his adopted son, Joseph, now 15. Kern, after a preliminary discussion, said he would hear the evidence beginning Thursday.

The government, represented in court by Attorneys John D. Kiley and William Schwerdtfeger, has issued subpenas for George Browne, former president of the International Alliance of Theatrical Stage Employes, and Willie Bioff, former assistant to Browne, who it is claimed extorted $1,800,000 from employers and shared the money with Nitti, and Paul Ricca, Nitti's second in command, with some of it going to other members of the Capone gang board of directors.

$400,000 Bribes Charged

Figures prepared by Kiley and Schwerdtfeger show the government claims Nitti took over $400,000 of the extortions or bribes paid by Hollywood producers to Browne and Bioff.

Based on that amount of shakedown money reaching Nitti's hands, the government asked that his estate pay additional income taxes of $294,158, plus a 50 per cent penalty, plus interest.

Nitti's returns showed that he listed Cook county slot machine profits under the heading "vending machine income," which averaged better than $50,000 a year, (in partnership with Ed Vogel who still runs the racket here).

Wine Sale Income Declared

Nitti also sold wine, O'Callaghan declared, and some items on the tax returns showed him to have been an agent of the Roma Wine company.

"Nitti married Miss Caravetta in the summer of 1942 and that winter he gave her $75,000 he had promised her as a wedding present," the lawyer explained. "The next gift of $50,000 was in fulfilment of another promise. The government now claims these two payments were gifts in contemplation of death and therefore that amount of $125,000 should have been subject to an estate tax.

"After Nitti's death, the widow paid all his debts, including his 1942 income tax, out of her funds and this $125,000 was whittled down to a small amount when, two years after Nitti's death, the government filed a jeopardy assessment against her bank accounts and safe deposit boxes as well as against the trust fund set up for the son, Joseph."

Tax Paid On Racket Cash

Her attorney told Kern that he was sure the government couldn't prove that Nitti received any of the money extorted from the Hollywood companies. Nitti paid a tax on his other racket earnings, O'Callaghan said.

Nitti's "board of directors" in the crime syndicate were all indicted for the movie extortion and went to prison under sentence of 10 years. But they were paroled after 3 1/2 years. The paroles of Campagna and Gioe have been revoked and the parole granted Paul Ricca, Nitti's successor, is under governmental attack.

At Hearing

(Story on Page 1)

Mrs. Frank Nitti as she appeared in Tax court at 1212 Lake Shore dr. yesterday.

CHICAGO DAILY TRIBUNE

Sept 26, 1948

$1/6/95 SPSA/CW

1914

ENCLOSURE

U.S. Calls Bioff in Nitti Suit

Willie Bioff and George Browne, movie extortionists, are slated to come out of hiding to be star government witnesses here in the $441,000 tax case against Frank 'The Enforcer' Nitti's estate.

Bioff and Browne have been in a mysterious somewhere since their release from prison in 1944.

Their testimony helped convict six men of joining them in a $1,827,000 extortion of motion picture magnates. As a reward, Bioff and Browne were freed after serving only three years.

Nitti, Capone gangster, was indicted in the same case but killed himself before he could be brought to trial.

The government's suit is based mostly on the claim that Nitti failed to pay income taxes on $404,000 which it figures as his share of the extortion money.

The case comes to trial Thursday before the U. S. Tax Court.

Where Are They?

John D. Kiley, attorney for the Internal Revenue Department, revealed that the subpoenaing of Bioff and Browne is being handled through Washington.

Whereabouts of the two men, if known by the government, were not told.

Gangsters have been reported anxious to bump off the pair for their testimony against their henchmen. Presumably, the witnesses will be brought here under heavy guard.

Nitti's widow, Annette, is contesting the tax claim. Her attorney, James A. O'Callaghan, denies Nitti shared in the extortion cash. And even if he did, O'Callaghan argues, the loot is not taxable since it is subject to recovery by the victims.

Paroles Revoked

Those convicted in the extortion include Louis 'Little New York' Campagna, Charles 'Cherry Nose' Gioe, Phil D'Andrea, and Paul 'The Waiter' Ricca.

These four were paroled after serving a third of their 10-year sentences. Paroles of all but D'Andrea were revoked.

3/6/95 SP5 C/OS

CHICAGO DAILY NEWS

Sept 28, 1948

-8-2050-1-1C

ENCLOSURE

STANDARD FORM NO. 64

Office Memorandum · UNITED STATES GOVERNMENT

TO : Director, FBI

DATE: October 1, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

For the information of the Bureau there is transmitted herewith a clipping from the Chicago Daily News of September 29, 1948, which relates to the captioned matter.

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RECORDED - 76

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58-2000-1915
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31 OCT 11 1948

CRIME REC.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/95 BY SP5 CA/CW

59 OCT 18 1948

Nitti Case Goes Into Slot Machine

BY CLARENCE R. DORE

What was the life of a 'one-armed bandit' in the partnership of Frank Nitti and Eddie Vogel?

The question may have to be decided by Judge John W. Kern of the U. S. Tax Court in the hearing starting Thursday on the appeal of Nitti's widow Annette from an income tax assessment of $441,234 for the years 1935 to '40.

James A. O'Callaghan, lawyer for Mrs. Nitti, has subpoenaed Sgt. Nick Disteldorf in the belief that he can testify that half of the 2,500 slot machines Nitti and Vogel operated were seized during the six-year period and destroyed.

Depreciation Claimed

Nitti and Vogel listed depreciation on the machines in their income tax returns, giving them a life of about five years each. Actually, according to their counsel, within a few weeks or months after they were purchased the cops grabbed them during raids.

The income charged up against Nitti as unreported totaled $550,567. Of that $404,000 represented Nitti's share of $1,827,000 extorted from the movie interests, according to Attorneys John D. Kiley and William Schwerdtfeger of the Internal Revenue Department.

Most of the $145.673 allegedly due in tax represents the quarrel over the slot machines, according to O'Callaghan.

Bioff to Testify

Topping the long list of witnesses to be called by the government are Willie Bioff, former Capone gangster, and George E. Browne, one time head of the stage handlers union.

Browne and Bioff have been hiding since they were released from prison following a conviction in the movie extortion case, and their subsequent testimony against other members of the mob.

Nitti shot himself the day he was indicted and Bioff and Browne later testified against his co-defendants.

Among those convicted were Louis 'Little New York' Campagna, Charles 'Cherry Nose' Gioe, Phil D'Andrea, Paul 'The Waiter' Ricca and John Rosselli.

All five were paroled from 10-year sentences a year ago but all the paroles except D'Andrea's have since been revoked.

CHICAGO DAILY NEWS

Sept 29, 1948

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP5 alm

58-2000-1915

ENCLOSURE

U.S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

JUL 23 1948

TELEMETER

CONF WASH 5 AND CGO 1 FROM LOS ANGELES 23 1-01 PM
DIRECTOR AND SAC CHICAGO URGENT
ATTENTION ASSISTANT DIRECTOR ROSEN

LOUIS CAMPAGNA, ET AL, BRIBERY, PAROLE MATTER. AT TEN TWENTY FIVE AM TODAY DEPUTY MARSHAL ROSSINI TELEPHONICALLY CONTACTED THIS OFFICE AND ADVISED THAT HE HAD RECEIVED PAROLE VIOLATORS WARRANT FOR JOHN ROSELLI STATING AS GROUNDS OF REVOCATION ~~DISHONOAXX~~ DISHONORABLE CONDUCT; FAILURE TO REGISTER AS EX CONVICT WITH LAPD AND PALM SPRINGS PD IN VIOLATION OF CITY ORDINANCES, ASSOCIATIONS WITH KNOWN CRIMINALS AND GANGSTERS. DEPUTY STATED THAT WARRANT CALLED FOR ROSELLIS INCARCERATION AT MCNEIL ISLAND CONTRARY TO USUAL PRACTICE WHICH ORDINARILY DOES NOT DESIGNATE ~~PLANXX~~ PLACE TO DELIVER PRISONER UNTIL ARREST HAS BEEN MADE AND WASHINGTON HEADQUARTERS ADVISED OF ARREST AFTER WHICH PLACE OF INCARCERATION IS DESIGNATED. ROSSINI REQUESTED INFORMATION AS TO WHETHER THIS OFFICE HAD ARRESTED ROSELLI OR WAS LOOKING FOR HIM. DEPUTY WAS SUBSEQUENTLY ADVISED NEGATIVELY AND HE STATED THAT HE HAD BEEN IN CONTACT WITH US PROBATION OFFICE, LA, WHERE YOUNG LADY HAD ADVISED ROSELLI MAKING WONDERFUL ADJUSTMENT AND REQUESTED NO ARREST UNTIL SHE COULD CONTACT HER BOSS WHO WAS IN SAN DIEGO. DEPUTY STATED SUBSEQUENTLY PROBATION OFFICE RECONTACTED HIM AND FURNISHED ADDRESS FOR ROSELLI AS EAGLE-LION STUDIOS.

HOOD

RECORDED - 109 58-2000-1916
INDEXED - 109

60 OCT 20 1948

ACK PLS

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

DATE: October 8, 1948

Mr. Ladd
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Carnea
Mr. Limbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nichols
Miss Gandy

For the information of the Bureau there are transmitted herewith clippings from the Chicago Tribune of October 2nd and 3rd and from the Chicago Daily News of October 7th, which relate to the captioned matter.

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3 ENCL

RECORDED - 125
INDEXED - 125

58-2000-1917
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31 OCT 13 1948

G. I. R. 3

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/6/95 BY SP2 alw

51 OCT 22 1948

Lawyers Wonder When Ricca Will Join Hoodlum Pals in Prison

There is considerable speculation around the U. S. Courthouse as to when Paul 'The Waiter' Ricca will go back to prison for parole violation.

Ricca, leader of the Capone mob, was arrested June 16 and released the same day on a habeas corpus writ bond of $10,000 by Federal Judge Michael L. Igoe.

There have been two long hearings on his case before Judge Igoe and a third was postponed last week until Oct. 18.

Meanwhile three other members of the Capone mob, also paroled a year ago after serving one-third of their 10-year sentences for shaking down the movie industry for a million dollars, have been seized on similar parole violation warrants.

JUDGE IGOE

Behind Bars

The three--Louis 'Little New York' Campagna, Charles 'Cherry Nose' Gioe and John Rosselli, are now behind bars. Three federal judges refused to act on petitions to free him.

Phil D'Andrea, paroled with the others, still is free and no warrant has been issued for him. He was in a prison hospital when released and has been ill since, presumably too sick to violate his parole.

Violation Denied

Judge Igoe on June 16 ordered Ricca brought in for a hearing after Lawyer William Scott Stewart contended that there was no parole violation, that the warrant was issued only after Republican congressmen had threatened the Parole Board.

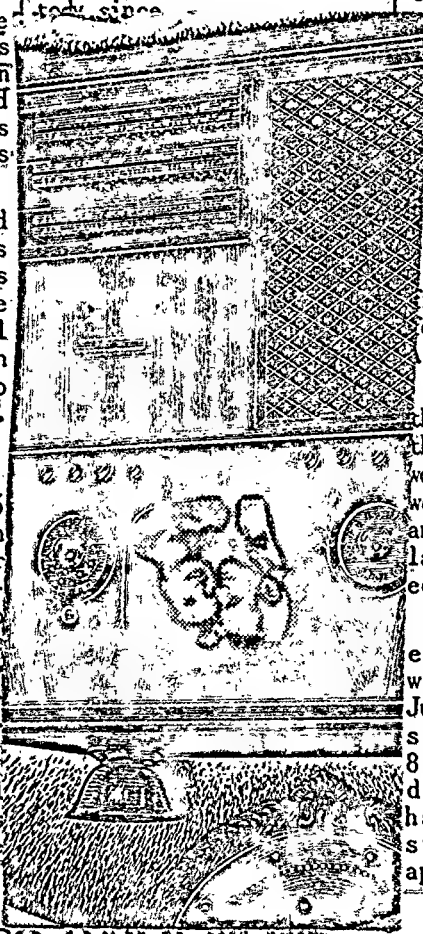
Judge Igoe said that all he knew about the case was what he had read in the newspapers, that apparently Ricca was in the middle in a 'great contest going on between some members of Congress and the parole board' about the paroles.

Kerner Objects

Ricca appeared in court under guard of marshals and after a hearing on the legality of the warrant was released on the $10,000 bond over the objections of U.S. Attorney Otto Kerner Jr.

$300,000 Property

Setting of the bond brought out the disclosure from Stewart that Ricca had $300,000 worth of property. It was nearly 6:00 p.m. but a professional bondsman was on hand and Ricca has not spent any time in custody since.



this court, at this moment, on the present state of facts, should interpose. I think that these cases to which Col. Kerner has called my attention are conclusive.'

Bail Denied

Stewart asked for bail for Campagna so he could appeal the ruling but the court denied it.

Campagna turned over his ring, watch and other valuables to Stewart before the marshals took him away.

The whole proceeding took about an hour and by noon Campagna was on a train headed for Atlanta with deputy marshals.

Legal Razzle Dazzle

In a sort of razzle dazzle end run play Stewart filed six more suits in federal court here Aug. 19, two each for Ricca, Campagna and Gioe. They asked for $1 damages plus hearings under the administrative procedure act. Judge Elwyn S. Shaw dismissed them the same day.

Since then Stewart has filed habeas corpus pleas for Campagna and Gioe in an Atlanta federal court.

He got his continuance in the Ricca case last week on the representation that he would be busy in Atlanta as well as that he wanted to answer the government's latest brief here that cited Judge Barnes' decision.

John Rosselli was arrested on a parole violation warrant in Los Angeles July 27. Refused bail, he stayed in jail until Sept. 8, when a federal judge denied him freedom on a habeas corpus writ. He still is in jail pending an appeal.

ALL INFORMATION CONTAINED
HEREIN IS UNCLASSIFIED
DATE 3/16/95 BY SP5CAC/CW

CHICAGO DAILY NEWS
Oct 7, 1948

ENCLOSURE

58-2000-1917 1

L[illegible]ers Wonder When Ricca Will Join Hoodlum Pals in Prison

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Setting of the bond brought out the disclosure from Stewart that Ricca had $300,000 worth of property. It was nearly 6:00 p.m. but a professional bondsman was on hand and Ricca has not spent any time in custody since.

The subsequent July 8 session was devoted to legal sparring between Kerner and Stewart on the same theme as before--the legality of the warrant. Judge Igoe then ordered briefs to be filed and set the next hearing for Sept. 20.

One Hit, One Miss

The government's attempt to avoid the Chicago federal courts in the next sortie against the hoodlums July 23 was only partly successful when parole violation warrants were issued against Campagna and Gioe.

Deputy marshals seized Gioe in his home in the Seneca Hotel early in the morning and had him on a train bound for Atlanta prison before court opened.

Campagna, however, eluded marshals who stormed his walled farmhouse at Berrien Springs, Mich., that same morning. But when court convened Campagna was there, unshaved and minus a tie, with Lawyer Stewart.

In Barnes' Court

Stewart presented the same argument for a habeas corpus writ for Campagna before Judge John P. Barnes that he used before Judge Igoe. Kerner made the same objections.

Judge Barnes, who is the senior jurist on the federal district court here, heard the lawyers through, studied the petition, the law and other authorities and then ruled against Campagna.

Judge's Views

In doing so Judge Barnes said in part:

'I assume that if the parole board acts arbitrarily, or perhaps there is no evidence to support its findings, some court will look into that matter and remedy any wrong which may result. I need not be concerned about that.

'What I am concerned about is whether or not this court, at this moment, on the present state of facts, should interpose. I think that these cases to which Col. Kerner has called my attention are conclusive.'

Bail Denied

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In a sort of razzle dazzle end run play Stewart filed six more suits in federal court here Aug. 19, two each for Ricca, Campagna and Gioe. They asked for $1 damages plus hearings under the administrative procedure act. Judge Elwyn R. Shaw dismissed them the same day.

Since then Stewart has filed habeas corpus pleas for Campagna and Gioe in an Atlanta federal court.

He got his continuance in the Ricca case last week on the representation that he would be busy in Atlanta as well as that he wanted to answer the government's latest brief here that cited Judge Barnes' decision.

John Rosselli was arrested on a parole violation warrant in Los Angeles July 27. Refused bail, he stayed in jail until Sept. 8, when a federal judge denied him freedom on a habeas corpus writ. He still is in jail pending an appeal.

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CHICAGO

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CHICAGO SUNDAY TRIBUNE: Part 1 Page 20* Oct 3, 1948

BARE GANG'S ORDER TO NITTI TO SLAY BIOFF

Leader Chose Suicide Rather Than Obey

BY JAMES DOHERTY

Arrangements were made yesterday for George Browne and Willie Bioff to make their next public appearance here on Oct. 18 in the courtroom of Federal Judge Michael L. Igoe where Paul Ricca, present boss of the former Capone gang, is to have a habeas corpus hearing.

Browne, former president of the International Alliance of Theatrical Stage Employes, and Bioff, who admitted he ran the international union according to orders from the Chicago gangsters, testified last week in the federal Tax court before Judge John W. Kern of Indianapolis, and were immediately returned to the protective custody of the treasury department.

Union Officials Nitti Stooges

Browne and Bioff ruled a union of 46,000 men and women but, according to their testimony, they in turn were ruled by the late Frank (The Enforcer) Nitti, successor of Al Capone as gang chief. Nitti has been succeeded by Ricca. Ricca, Louis Campagna, Charles Gioe, Phil D'Andrea, and others were sent to prison on 10 year terms in the extortion of $1,800,000 from movie producers thru the Browne-Bioff union.

Nitti killed himself on March 19, 1943 the day he and the others were indicted, and yesterday the reason why was told.

"Ricca, Campagna and the others were demanding that Nitti kill Bioff to prevent Bioff from testifying against them," Capt. Dan Gilbert, chief investigator for the state's attorney's office, disclosed. "They demanded that Nitti shoot Bioff even if he had to do it in a crowded courtroom.

"The gang held Nitti responsible for having OK'd Bioff to them as trustworthy. Therefore they insisted that it was Nitti's obligation to eliminate Bioff as a witness.

Circella Warned By Gang

"The gang had intimidated Nick Circella, who had been ready to testify against them to save himself. Circella, who was named by Bioff and Browne as the man Nitti designated to be with them whenever they transacted any union business with producers that was intended to produce cash, admitted everything to the government prosecutor, Boris Kostelanetz.

"Some of the other gangsters went to Circella's wife. She called on Nick in a government cell in New York and said to him: 'You have two children; you can't afford to testify against them.' To save his wife and children, Circella, who had operated night clubs in Chicago, refused to help the government further and thereby shorten his prison sentence.

Lepke Put Into Bioff Jail

"While Bioff was in a detention cell in New York waiting to testify against Ricca, Campagna and the others, Louis (Lepke) Buchalter became a government prisoner and was put in the same cell tier in which Bioff was kept.

"We learned that Buchalter (who was afterwards executed) had been assigned by the mob to kill Bioff. Bioff, too, knew it. He got word to Kostelanetz that his life was in danger as long as he was in the same jail with Buchalter.

"The gang was satisfied they could stop Browne from testifying against them without killing him. They knew, however, they would have to kill Bioff if they were to stop him from talking."

Col. Tom Bailey, chief investigator for the federal alcohol tax unit, is now head protector of the two men, Bioff and Browne, who did testify at New York against Ricca, Campagna, D'Andrea, and Gioe and were held responsible for the 10 year sentences given each of the gangsters. Bailey was made responsible for the present safety of the two men by the treasury department which brought them here to testify in the case involving the government's effort to collect $400,000 in tax from the Nitti estate.

Subpenas Served On Pair

Subpenas were served on the men when Bailey brought them to Tax court Thursday. It was understood William Scott Stewart, attorney for Ricca, Campagna, and Gioe in parole revocation proceedings, wanted to use Bioff and Browne as witnesses.

The case in Igoe's court concerns Ricca only. The government sought to revoke the paroles given Ricca, Campagna, and Gioe, who were freed after they had served only one-third of their sentences. Atty. Stewart saved Ricca from a trip back to the penitentiary at Atlanta, Ga., by obtaining a writ from Igoe, hearing on which has been continued to Oct. 18. Campagna and Gioe, who were taken into custody on warrants as parole violators, are scheduled to receive a habeas corpus hearing in Atlanta on Oct. 27.

The paroles of the gangsters convicted on the testimony of Browne and Bioff were declared "outrageous" by a congressional committee, because of the fact the men were all branded as menaces to society, and as men of long criminal careers. An investigation concerning the costs of the paroles is still underway.

The same parole board which gave freedom to the Chicago gangsters refused any clemency to Browne and Bioff, who had become government witnesses, was recalled yesterday, and then were eventually freed on a court order. Circella, who gave the government some help in getting evidence against his former bosses and associates of the Capone gang, was also refused any clemency by the same parole board and he served a full six years while Ricca and the others were freed in 3 1/2 years, it was shown.

Bailey would not discuss what safety measures he was taking for Browne and Bioff during their court appearance. However, his staff of "revenoers" has advised local police they will be able to handle the job without calling for help.

The Nitti tax case will be resumed Monday, in the court building at 1212 Lake Shore D...

CHICAGO DAILY TRIBUNE

Oct 3, 1948

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EXTORTION CASH SPLITUPS TOLD IN NITTI TAX CASE

BY JAMES DOHERTY

A story of looting and huge cash splitups by men who were sacking the motion picture industry of the country was unfolded yesterday in testimony in the U. S. Tax court hearing to determine how much the estate of Frank (The Enforcer) Nitti owes the government.

George E. Browne, former president of the International Alliance of Theater and Stage Employes, testified to his part in demanding $2,000,000 from movie moguls, collecting nearly all of it, and keeping only one sixth of the loot for himself. He told of one large payoff to Paul Ricca, now notorious as a parolee.

Willie Bioff, former "special representative" of President Browne, told of getting his extortion orders from Nitti and of turning over most of his collections to Nick Circella, designated by Nitti as his man. But Bioff testified he did make one large presentation to Louis Campagna, notorious parolee now back in the Atlanta, Ga., federal prison.

Says Ricca Got Cut

Ricca, who has a habeas corpus case coming up Oct. 18 in his efforts to forestall revocation of his "notorious parole," was handed five-sixths of $28,000 paid to Browne by a man named Harry Beatty, Browne told Judge John W. Kern, who came here from Indianapolis, Ind., to preside at the Nitti tax trial.

The handout to Campagna, who also has a habeas corpus case coming up, Oct. 27, was "in the neighborhood of $40,000," according to Bioff. The witness said he had been given $25,000 in cash by Joseph Schenck, movie magnate, on one occasion and $37,000 shortly afterwards. In pursuance with his agreement with the Chicago gangsters, whom he called "the outfit," he kept one-third to be split with his partner, Browne, and sent the rest to Chicago, via Campagna.

"Obligated" To Gangsters

Browne and Bioff said they were obligated to the gangsters because Nitti, thru his nation-wide organization, arranged to have Browne elected to head the international union which controled nearly 50,000 union men and women of the motion picture business. Until elected president, in 1934, Browne said he was business agent of the Chicago Stage Hands union.

"Why did the motion picture company executives pay these huge sums?" Atty. William Schwerdtfeger, representing the government, wanted to know.

"So we would let wage scales and union conditions stay as they were," Browne explained.

The former international union president told of receiving $150,000 for refusing permission to local 306, a New York operators' union, to go on strike when its members were given additional wage cuts. In 1932 at the time ex were expecting a restoration the scale of 1931 when they ntarily had accepted a 10 per cent cut.

Tells Payment To Union

The picture companies involved, Loew's Inc., and Radio-Keith-Orpheum corporation, made a bad bargain, the government attorney showed a few minutes later, when he called Herman Gelder, now president of Local 306, to the witness stand. Gelder told of suing the two companies after the testimony came out in court that the men were betrayed by their international union officials who had accepted $150,000 for preventing the strike.

Gelder submitted a document to show that the suit had been settled by payment by the two companies of $150,000 to the union whose members had been the losers by the $150,000 deal of Browne and Bioff.

The trend of the tax case turned from motion picture company loot to the Cook county slot machine enterprise when W. A. Cornelius, an internal revenue agent, was called to the witness stand. He told of questioning the late Frank Nitti on May 26, 1937, in a loop hotel about Nitti's 1935 income.

Tells Slot Machine Link

"I asked him to explain an item in his return he listed as miscellaneous and in the amount of $59,500," Cornelius stated. "Nitti said that money came from a gambling enterprise. In his own words he said he was in cahoots with Eddie Vogel in the slot machine racket in and about Chicago. He said he kept no books.

"Did you ask him, if he had shared in any money extorted from the motion picture industry?" asked Atty. James A. O'Callaghan, who represents the estate of more than $200,000 Nitti left for his widow and son, and which the government has seized in its claim for approximately $400,000 in income tax, penalties and interest, for the years 1935 to 1940. It was during that time, the government contends, that the Nitti gang, thru Browne and Bioff, extorted at least $1,800,000 from movie concerns.

Cornelius replied that at the time he questioned Nitti he did not know of the extortion.

Quizzed About Murders

William Drury, who said he is a police lieutenant but temporarily working as a newspaper reporter, testified that Nitti told him in 1933 that he had succeeded to Capone's place as boss of the crime syndicate. At that time, Drury said, Nitti was arrested for questioning about the murders of Teddy Newberry, Chicago gangster, and of Mayor Anton Cermak, shot to death in Miami, Fla., shortly before.

It was stipulated between the attorneys that neither Browne nor Bioff paid any income taxes on the money they admitted receiving while they ran the international union.

Judge Kern continued the hearing until Monday morning when it will be resumed in the court building at 1212 Lake Shore dr. The hearings thi[illegible] were held in the Custo[illegible] building, 620 S. Canal st.

[illegible] gang attack [illegible]

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CHICAGO DAILY TRIBUNE
Oct 8, 1943

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ENCLOSURE
58-2000-1917

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

DATE: October 13, 1948

Mr. T[illegible]
Mr. C[illegible]
[illegible]
Mr. Clegg
Mr. Gurnea

For the information of the Bureau there are transmitted clippings from the Chicago Daily News and the Chicago Tribune of October 12th, which relate to the captioned matter.

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Drop Bioff, Browne Quiz

Willie Bioff and George E. Browne will not have to come out of hiding again, wherever they are, and answer six questions from Attorney William Scott Stewart.

Federal Judge Michael L. Igoe Tuesday allowed a motion by Maurice J. Walsh, attorney for Browne and Bioff, to quash subpoenas served on them for Paul 'The Waiter' Ricca's habeas corpus hearing.

Stewart, Ricca's lawyer, protested.

CHICAGO DAILY NEWS

Oct 17, 1948

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ENCLOSURE

MOVE TO QUASH SUBPENAS FOR EX-GANG TOOLS

BY JAMES DOHERTY

Unidentified influences were said yesterday to be back of the effort to prevent George Browne, former union president who said he was a stooge in an extortion campaign against movie producers, and Willie Bioff, his ex-assistant, from testifying in habeas corpus cases involving the notorious Capone gang paroles. At the United States courthouse no reason could be obtained on why the move was being made and why it was being opposed.

Judge Michael L. Igoe in federal District court was asked to quash subpenas issued for Browne and Bioff for the hearing before him next Monday on the legality of the parole violation warrant issued against Paul Ricca, reputed chief of the Capone gang. It was understood United States Atty. Otto Kerner Jr. favored the motion to quash, made by Atty. Maurice Walsh, who said he was retained "by some one in Boston."

Ricca Aid Opposes Move

Atty. William Scott Stewart, who represents Ricca in opposing the move to return Ricca to prison, from which he was paroled after serving only 3 1/2 years of a 10 year sentence, said he would insist the subpenas be allowed to stand.

Stewart obtained the subpenas for Browne and Bioff when they were brought here by the treasury department in its tax case against the estate of the late Frank (The Enforcer) Nitti, who preceded Ricca as head of the Capone gang. Browne and Bioff testified they are "on probation" after serving more than three years of their terms for the $1,800,000 extortion. It is Atty. Walsh's contention that while they are in protective custody, they are not liable to subpenas.

Testified Against Gangsters

The two former union officials testified at the Nitti hearing and had testified against Ricca and other gangsters in the 1943 trial in New York City.

Stewart said he got service on them here so he could call them later to similar hearings in Atlanta involving Louis Campagna and Charles Gioe, who have been taken back to prison.

CHICAGO DAILY TRIBUNE:
Page 17** • Tues., Oct. 12, 1948

CHICAGO DAILY TRIBUNE
Oct 12, 1948

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ENCLOSURE

The Attorney General

October 21, 1948

Director, FBI

LOUIS CAMPAGNA, with aliases; ET AL
BRIBERY
PAROLE MATTERS

For your further information in this matter, I am enclosing herewith photostatic copies of newspaper articles published at Chicago on October 11 and 12, 1948, which refer to this case.

Enclosure

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U.S. DEPT. OF JUSTICE

Mr. Tolson
Mr. E. A. Tamm
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Carson
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Hendon
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

STANDARD FORM NO. 64

Office Memorandum • UNITED STATES GOVERNMENT

TO : Director, FBI
ATTENTION: MR. A. ROSEN

DATE: October 12, 1948

FROM : SAC, Chicago

SUBJECT: LOUIS CAMPAGNA, was; etal
BRIBERY; PAROLE MATTERS

For the information of the Bureau there is attached a clipping from the Chicago Herald-American of October 11, 1948, which relates to the captioned matter.

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Browne and Bioff Fight Hearing

George E. Browne and Willie Bioff, former heads of the stagehands' union, fought today to escape being called as witnesses at the habeas corpus hearing of Hoodlum Paul (The Waiter) Ricca Oct. 18.

Their attorney, Maurice Walsh, prepared to go before Federal Judge Igoe and ask that subpenas for their appearance at the hearing be quashed.

The subpenas were served when Browne and Bioff were witnesses in Federal Tax Court in the government's suit to collect $400,000 in income taxes from the estate of Frank (The Enforcer) Nitti.

Walsh said he would contend they were in protective custody of Treasury officials at that time and thus not subject to subpena.

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THE CHICAGO AMERICAN
Oct 11, 1948.

58-2001-1717

ENCLOSURE

FEDERAL BUREAU OF INVESTIGATION
U. S. DEPARTMENT OF JUSTICE
COMMUNICATIONS SECTION

OCT 18 1948

TELEMETER 24464

[redacted] 3/6/95 SRS

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Mr. Tolson
Mr. Clegg
Mr. Glavin
Mr. Ladd
Mr. Nichols
Mr. Rosen
Mr. Tracy
Mr. Egan
Mr. Gurnea
Mr. Harbo
Mr. Mohr
Mr. Pennington
Mr. Quinn Tamm
Mr. Nease
Miss Gandy

WASH 2 FROM CHICAGO 18 11-59AM PL

DIRECTOR.....URGENT

ATTENTION: ASSISTANT DIRECTOR A. ROSEN

LOUIS CAMPAGNA' WAS' ETAL' BRIBERY' PAROLE MATTERS. THIS MORNING IN FEDERAL JUDGE MICHAEL L. IGOE,S COURT ARUGMENT ON THE PAUL DELUCIA HEARING WAS HEARD. AT THE CONCLUSION OF THE [redacted] ARGUMENT' JUDGE IGOE MENTIONED THAT THERE HAD BEEN NUMEROUS BRIEFS AND ORAL ARGUMENTS CONCERNING THIS MATTER AND THAT HE FELT ANY DECISION BY HIM SHOULD BE CONTAINED IN A [redacted] WRITTEN MEMORANDUM' GIVING HIS REASONS FOR ANY DECISION HE MIGHT REACH. JUDGE IGOE ADVISED THE RESQECTIVE COUNSEL THAT HE WOULD BEGIN WORKING ON HIS WRITTEN MEMORANDUM AND THAT AS SOON AS HE COMPLETED IT HE WOULD SO ADVISE THE RESPECTIVE COUNSEL. JUDGE IGOE DID NOT INDICATE WHEN HIS DECISION IN THIS MATTER [redacted] WOULD BE SUBMITTED.

MC SWAIN

END ACK PLS

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